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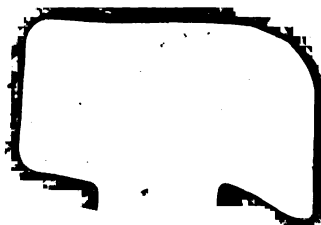
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FORTIETH ANNUAL REPORT

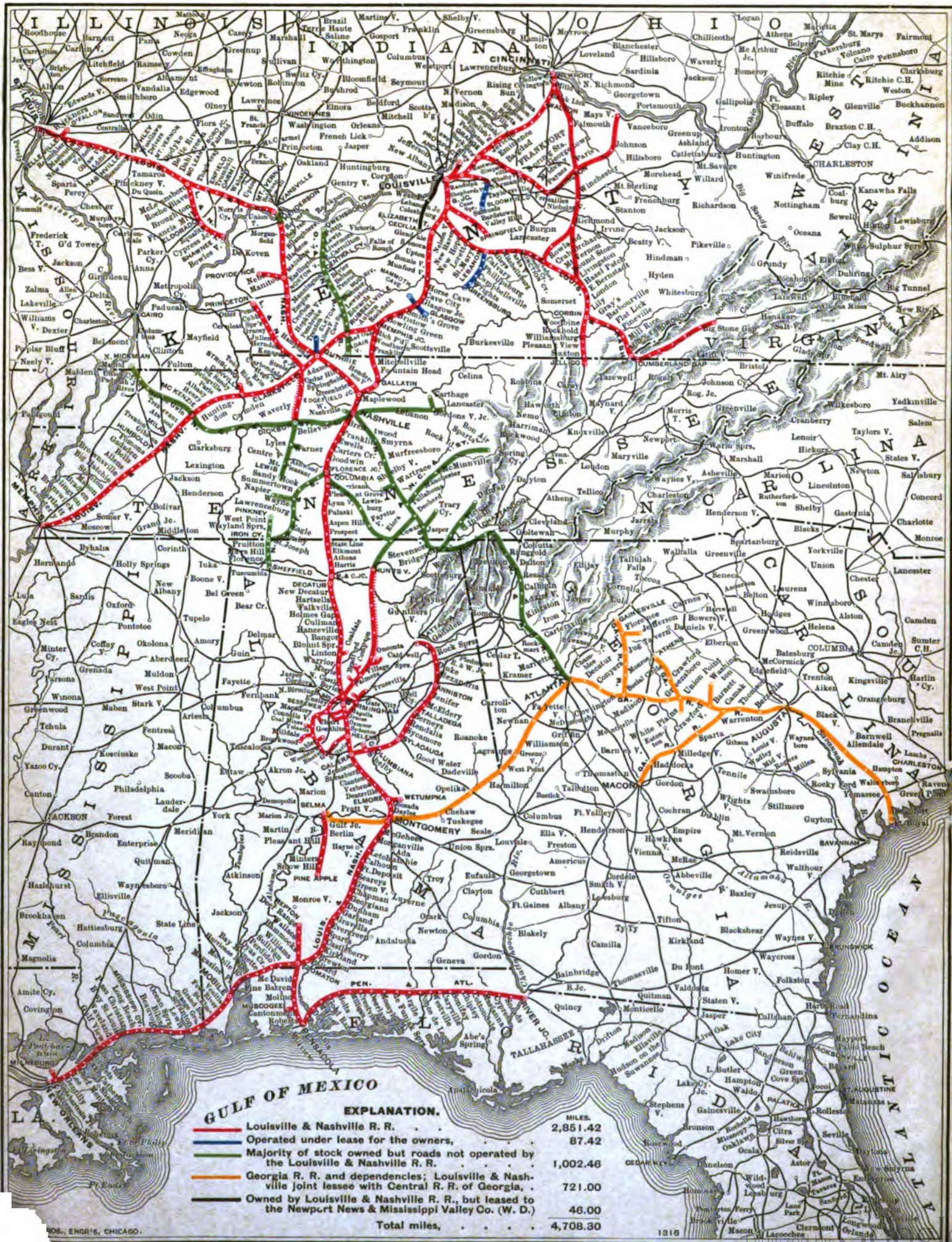
OF THE

LOUISVILLE & NASHVILLE

RAILROAD COMPANY.

FISCAL YEAR ENDED JUNE 30, 1891.

MAP OF THE LOUISVILLE & NASHVILLE R. R. AND DEPENDENCIES.



FORTIETH ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

LOUISVILLE & NASHVILLE

RAILROAD COMPANY

TO THE STOCKHOLDERS.

FISCAL YEAR ENDED JUNE 30, 1891.

PRESENTED AT THE MEETING HELD WEDNESDAY, OCTOBER 7, 1891.

LOUISVILLE, KY. *Recd 15*
PRINTED BY JOHN P. MORTON AND COMPANY.
1891

DIRECTORS

OF THE

LOUISVILLE & NASHVILLE RAILROAD COMPANY

FOR THE YEAR 1891-92.

AUGUST BELMONT, New York.

J. A. HORSEY, New York.

ARNOLD MARCUS, New York.

WILLIAM MERTENS, New York.

ECKSTEIN NORTON, New York.

JOHN D. TAGGART, Louisville.

J. D. PROBST, New York.

THOMAS RUTTER, New York.

J. S. ROGERS, New York.

JACOB H. SCHIFF, New York.

EDMUND SMITH, Philadelphia.

M. H. SMITH, Louisville.

JOHN A. CARTER, Louisville.

EXECUTIVE OFFICERS.

CHAIRMAN OF THE BOARD,
AUGUST BELMONT, New York.

PRESIDENT,
M. H. SMITH, Louisville.

FIRST VICE-PRESIDENT,
STUART R. KNOTT, Louisville.

SECOND VICE-PRESIDENT,
A. M. QUARRIER, New York.

THIRD VICE-PRESIDENT,
W. J. WOOD, Nashville.

TREASURER,
WM. W. THOMPSON, Louisville.

SECRETARY,
J. H. ELLIS, Louisville.

NEW YORK OFFICE, Equitable Building, 120 Broadway.

LOUISVILLE OFFICE, Main and Second Streets.

GENERAL OFFICERS

OF THE

LOUISVILLE & NASHVILLE RAILROAD COMPANY

OCTOBER, 1891.

J. G. METCALFE,	General Manager,	Louisville, Ky.
R. H. INGRAM,	Assistant to President,	Louisville, Ky.
RUSSELL HOUSTON,	Chief Attorney,	Louisville, Ky.
H. W. BRUCE,	Assistant Chief Attorney,	Louisville, Ky.
JOHN L. CADWALADER,	Attorney,	New York.
S. H. EDGAR,	Assistant Treasurer,	Louisville, Ky.
A. W. MORRISS,	Assistant Treasurer and Assistant Secretary,	New York.
HENRY ANTHON,	Transfer Agent,	New York.
G. W. PROCTOR,	Cashier,	Louisville, Ky.
CUSHMAN QUARRIER,	Comptroller,	Louisville, Ky.
	Traffic Manager,	Louisville, Ky.
Y. VANDENBERG,	General Freight Agent,	Louisville, Ky.
C. P. ATMORE,	General Passenger Agent,	Louisville, Ky.
P. P. HUSTON,	Purchasing Agent,	Louisville, Ky.
R. MONTFORT,	Chief Engineer,	Louisville, Ky.
PULASKI LEEDS,	Superintendent of Machinery,	Louisville, Ky.
GEORGE E. EVANS,	Superintendent of Transportation,	Louisville, Ky.
C. O. BRADFORD,	Real Estate Agent,	Louisville, Ky.

DIVISION SUPERINTENDENTS.

BRENT ARNOLD,	Superintendent Terminals,	Cincinnati, O.
LEWIS HOOD,	Superintendent Kentucky Central Railway,	Cincinnati, O.
C. A. DAVIES,	Superintendent Louisville, Cincinnati & Lexington Div.,	Louisville, Ky.
E. P. BRYAN,	Superintendent Terminals, Louisville,	Louisville, Ky.
W. P. PIKE,	Superintendent Louisville Division,	Louisville, Ky.
L. S. ROBERTSON,	Superintendent Cumberland Valley Division,	Middlesborough.
JAMES GEDDES,	Superintendent Nashville Division,	Nashville, Tenn.
W. M. NEWBOLD,	{ Superintendent South & North Alabama Railroad } and Birmingham Mineral Railroad, }	Birmingham, Ala.
THOMAS K. SCOTT,	Superintendent Alabama Mineral Railroad,	Anniston, Ala.
J. I. MCKINNEY,	Superintendent Mobile & Montgomery Division,	Montgomery, Ala.
CHARLES MARSHALL,	Superintendent New Orleans & Mobile Division,	New Orleans, La.
E. O. SALTMARSH,	Superintendent Pensacola Div. and Pen. & Atlantic Div.,	Pensacola, Fla.
O. M. DUNN,	Superintendent Memphis Line,	Memphis, Tenn.
B. F. DICKSON,	Superintendent Henderson and St. Louis Divisions,	Evansville, Ind.
S. DUNN,	Superintendent Clarksville & Princeton Division,	Clarksville, Tenn.

PROCEEDINGS OF THE STOCKHOLDERS' MEETING.

The annual meeting of the stockholders of the Louisville & Nashville Railroad Company was held at the office of the Company in Louisville, Ky., at noon, on Wednesday, October 7, 1891.

On motion, Judge H. W. Bruce was called to the chair, and J. H. Ellis appointed secretary.

The following persons, representing the stock of the Company, appeared, to wit:

Sundry persons and proxies, 343,847 shares.

The Report of the Directors to the Stockholders was submitted, and on motion of J. B. Briggs, duly seconded, it was unanimously

Resolved, That the report of the Directors to the stockholders of this Company, and the statements of the accounts submitted therewith, for the fiscal year ended-June 30, 1891, be and the same are hereby adopted, ratified, and confirmed, and that the said report and accounts be printed and circulated for the information of the stockholders.

The election of Directors following, and the persons named below having received the number of votes set opposite their respective names, as announced by the judges, to wit:

AUGUST BELMONT,	343,847 votes.
JOHN A. CARTER,	343,847 votes.
J. A. HORSEY,	343,847 votes.
A. MARCUS,	343,847 votes.
WM. MERTENS,	343,847 votes.
ECKSTEIN NORTON,	343,847 votes.
J. D. PROBST,	343,847 votes.
THOMAS RUTTER,	343,847 votes.
J. S. ROGERS,	343,847 votes.
EDMUND SMITH,	343,847 votes.
M. H. SMITH,	343,847 votes.
JACOB H. SCHIFF,	343,847 votes.
J. D. TAGGART,	343,847 votes.

they were declared elected Directors of the Louisville & Nashville Railroad Company for the ensuing year.

The meeting then adjourned *sine die*.

H. W. BRUCE, *Chairman*.

J. H. ELLIS, *Secretary*.

FORTIETH ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

LOUISVILLE & NASHVILLE RAILROAD CO.

FOR THE

FISCAL YEAR ENDED JUNE 30, 1891.

TO THE STOCKHOLDERS OF THE LOUISVILLE & NASHVILLE RAILROAD COMPANY:

The Board of Directors of the Louisville & Nashville Railroad Company respectfully submit their report for the fiscal year ended June 30, 1891, as follows:

LENGTH OF ROADS.

The length of roads operated by this Company, and of those in which it is interested, at the close of the fiscal year, June 30, 1891, is as follows:

I. OWNED ABSOLUTELY OR THROUGH THE OWNERSHIP OF THE ENTIRE CAPITAL STOCK.

	Length in Miles.
Main Stem—Louisville to Nashville,	185.23
Bardstown Branch—Bardstown Junction to Bardstown,	17.37
Springfield Branch—Bardstown to Springfield,	20.07
Knoxville Branch—Lebanon Junction to Jellico,	171.20
Cumberland Valley Branch—Corbin to Norton,	116.38
Memphis Line—Memphis Junction to Memphis,	258.50
Clarksville & Princeton Division—Princeton Junction to Princeton,	52.74
Henderson Division—Edgefield Junction to Henderson,	135.25
Madisonville Branch—Madisonville to Providence,	16.20
	<hr/>
Pensacola Division—Flomaton to Pensacola,	151.45
Pensacola & Atlantic Railroad—Pensacola to River Junction,	44.54
Pensacola & Selma Division—Gulf Junction to Pineapple,	160.28
	<hr/>
	35.61
Escambia Junction to Repton,	29.36
	<hr/>
	64.97
Cincinnati Division—Louisville to Newport,	108.96
Lexington Branch—LaGrange to Lexington,	67.00
Louisville, Harrod's Creek & Westport—Louisville to Prospect,	11.36
St. Louis Division—Evansville to East St. Louis,	161.00
Shawneetown Branch—McLeansboro Junction to Shawneetown,	41.00
O'Fallon Branch—O'Fallon Junction to O'Fallon,	6.00
	<hr/>
	208.00
Alabama Mineral Railroad—Attalla to Shelby,	110.00
Shelby to Calera,	10.70
Shelby to Columbiana,	5.19
	<hr/>
	125.89
Carried forward,	<hr/>
	1,763.94

		Length in Miles.
<i>Brought forward,</i>		1,763.94
Birmingham Mineral Railroad—		
North Branch—Magella to Brick-yard Y,	8.02	
Alice Branch,	.89	
Fossil Branch,	.63	
		9.54
South Branch—Graces to Bessemer,	11.57	
Muscoda Branch—Sloss to Muscoda,	1.20	
		12.77
Blue Creek Extension—Blue Creek Junction to Blocton Junction,		27.08
Dudley Branch—Yolande to Brookwood,		9.01
Pioneer Branch—Chamblee to Goethite,		3.65
Huntsville Branch—Bessemer to Oneonta,		49.30
Gurley Creek—Village Springs to Comptons,		4.05
Limestone Spur,		1.18
Self Creek—Palmer to Comptons,		4.30
Brown Ore—Spur-Oneonta to Champion,		3.50
Gate City Branch—Boyles to Trussville,		17.14
Red Gap Branch—Gate City to Graces,		10.28
Helena & Blocton—Helena (Taco) to Piney Woods,		10.04
		161.84
Kentucky Central Railway—		
Covington to Livingston,	150.67	
Maysville to Paris,	49.33	
Paris Junction to Lexington,	18.46	
Estill Junction to Rowland,	29.97	
		248.43
Mobile & Montgomery—Mobile to Montgomery,		178.51
New Orleans & Mobile Railroad—New Orleans to Mobile,		140.39
Pontchartrain Railroad—Pontchartrain Junction to Milneburg,		5.00
		2,498.11
II. LINES OVER WHICH THIS COMPANY RUNS ITS TRAINS, THE EARNINGS OF WHICH ACCRUE TO THIS COMPANY.		
Birmingham Mineral Railroad—		
Blocton to Blocton Junction,	7.91	
Piney Woods to Blocton,	14.41	
		22.32
III. OPERATED UNDER LEASE, EARNINGS IN EXCESS OF FIXED CHARGES ACCRUING TO THIS COMPANY.		
Nashville & Decatur Railroad Company—		
Nashville to Decatur,	119.09	
Shelby Railroad—Anchorage to Shelbyville,	19.10	
Railway Transfer—East Louisville to South Louisville,	4.13	
		142.32
IV. OPERATED FOR ACCOUNT OF THE SOUTH & NORTH ALABAMA RAILROAD COMPANY.		
South & North Alabama Railroad—		
New Decatur to Montgomery,	182.37	
Wetumpka Branch—Elmore to Wetumpka,	6.30	
		188.67
Total Louisville & Nashville system,		2,851.42
V. OPERATED UNDER LEASE FOR ACCOUNT OF THE VARIOUS COMPANIES.		
Southern Division Cumberland & Ohio—		
Cumberland & Ohio Junction to Greensburg,	30.90	
Northern Division Cumberland & Ohio—		
Shelbyville to Bloomfield,	26.72	
Glasgow Railroad—		
Glasgow Junction to Glasgow,	10.50	
Elkton & Guthrie Railroad—		
Elkton Junction to Elkton,	10.92	
Mammoth Cave Railroad—		
Glasgow Junction to Mammoth Cave,	8.38	
		87.42
<i>Carried forward,</i>		2,938.84

Length in Miles.

Brought forward, 2,938.84

VI. LINKS IN WHICH THE COMPANY IS INTERESTED AS OWNER OF A MAJORITY OF THE
CAPITAL STOCK IN THE COMPANY THAT OPERATES THE ROAD.

Nashville, Chattanooga & St. Louis Railway,	810.00	
Owensboro & Nashville Railway—		
Owensboro to Adairville,	84.00	
Mud River Branch—Penrod to Mud River Mines,	4.49	
		88.49
Nashville, Florence & Sheffield Railway—		
Columbia to Sheffield,	82.13	
West Point Branch—Iron City to Pinkney,	11.78	
		93.91
Henderson Bridge and Connecting Track,	10.06	
		1,002.46

VII. LINES IN WHICH THE COMPANY IS INTERESTED AS JOINT LESSEE WITH THE CENTRAL
RAILROAD COMPANY OF GEORGIA.

Georgia Railroad and Dependencies,	721.00
--	--------

VIII. LINES OWNED, BUT NOT OPERATED BY THE COMPANY.

Cecilia Branch, Louisville to Cecilia Junction (leased to Ches., Ohio & Southwestern at \$60,000 per annum),	46.00
Total mileage,	4,708.30

The earnings and expenses in this report are based on an average of 2,250.32 miles, as shown in Table No. VI. Attention is called to the tables submitted herewith for details of the year's business:

- I. Income Account, Fixed Charges, etc.
- II. Profit and Loss Account.
- III. General Balance Sheet.
- IV. Bonded Debt, in detail.
- V. Securities Owned by the Company.
- VI. Gross Earnings, Operating Expenses and Net, by months.
- VII. Gross Earnings, Operating Expenses and Net, summarized.

BONDED DEBT.

The bonded debt, as per Table No. IV last year's report, was \$56,177,660

BONDS ISSUED—

Five-per-cent Collateral Trust Gold Bonds,	\$209,000	
Unified Fifty-year Four-per-cent Gold Bonds,	8,784,000	
Pensacola & Atlantic First Mortgage Bonds,	\$3,000,000	
Less deposited with Central Trust Company, Trustee,	1,000,000	
	2,000,000	
		10,993,000
		\$67,170,660

DEDUCT BONDS REDEEMED DURING THE YEAR—

General Mortgage Bonds canceled for the Sinking Fund,	\$185,000	
Six-per-cent Collateral Trust Bonds redeemed,	207,000	
Cecilia Branch Bonds canceled for the Sinking Fund,	25,000	
Evansville, Henderson & Nashville Division Bonds canceled for the Sinking Fund,	31,000	
		448,000
Outstanding June 30, 1891,		\$66,722,660
Showing an increase over last year in the bonded debt of		10,545,000

The increase in the bonded indebtedness is accounted for as follows:

There were issued for the general purposes of the Company and for the purchase and completion of the Alabama Mineral Railroad Unified Four-per-cent Bonds,	\$5,000,000	
There were issued for the construction of the Cumberland Valley Branch Unified Four-per-cent Bonds,	1,774,000	
There were issued for second tracks, Unified Four-per-cent Bonds,	339,000	
There were issued for miscellaneous betterments, such as side tracks, station buildings, ballast, equipment and renewals of bridges, Unified Four-per-cent Bonds,	1,671,000	
Making a total of	\$8,784,000	
(NOTE.—There remain in the Treasury of the Company \$2,536,000 of these bonds.)		
There were issued for construction and new equipment of the Birmingham Mineral Railroad, Five-per-cent Collateral Trust Bonds,	209,000	
Pensacola & Atlantic First Mortgage Bonds, assumed on account of the purchase of the Pensacola & Atlantic Railroad, not owned by the Company,	2,000,000	
Total,	\$10,993,000	
LESS—		
Bonds redeemed,	448,000	
Increase,		\$10,545,000

GENERAL RESULTS.

The general results from operations for the year are:

Gross Earnings,	\$19,220,728 62	
Operating Expenses, 62.74 per cent,	12,058,444 59	
Net Earnings from Traffic, 37.26 per cent,	\$7,162,284 03	
DEDUCT CHARGES AGAINST INCOME—		
Interest, Rents, etc.,	\$4,207,629 40	
Taxes,	410,809 55	
Net Earnings,	4,618,438 95	
Net Earnings,	\$2,543,845 08	
ADD—Income from Investments,	\$657,216 85	
Georgia Railroad Lease Profit,	60,658 18	
Net Earnings,	717,875 03	
Net Earnings,	\$3,261,720 11	
DEDUCT—		
Loss on Pensacola & Atlantic Railroad,	\$189,991 78	
Loss on Alabama Mineral Railroad,	15,501 92	
Net Earnings,	205,493 70	
Net Income for the year,	\$3,056,226 41	
DEDUCT—		
2½-per-cent Cash Dividend declared January 7, 1891,	\$1,200,000 00	
2½-per-cent Cash Dividend declared July 9, 1891,	1,200,000 00	
Net Earnings,	2,400,000 00	
Net Surplus for the year,	\$656,226 41	

The average length of roads operated was 2,250.32 miles, showing for the year as follows:

	1890-91.	1889-90.
Gross Earnings, per mile,	\$8,541 33	\$8,573 19
Operating Expenses, per mile,	5,358 54	5,194 63
Net Earnings, per mile,	\$3,182 79	\$3,378 56

The growth of traffic is shown by the following table:

Years.	Miles Operated, Average.	Gross Earnings.	Operating Expenses.	Net Earnings.	Gross Earnings per Mile.	Operating Expenses, per Mile.	Net Earnings, per Mile.	Per Cent of Expenses to Earnings.
1879-80, . . .	1,190.58	\$7,394,515 93	\$4,173,302 64	\$3,221,213 29	\$6,210 85	\$3,505 27	\$2,705 58	56.44
1880-81, . . .	1,768.86	10,812,935 85	6,631,864 37	4,181,071 48	6,112 94	3,749 23	2,363 71	61.33
1881-82, . . .	1,912.25	11,911,439 67	7,371,011 93	4,540,427 74	6,229 02	3,854 63	2,374 39	61.88
1882-83, . . .	2,014.45	13,144,714 83	8,015,737 92	5,128,976 91	6,525 21	3,979 12	2,546 09	60.98
1883-84, . . .	1,997.55	14,261,386 05	8,823,782 56	5,437,603 49	7,139 44	4,417 30	2,722 14	61.87
1884-85, . . .	1,989.21	13,847,143 86	8,104,789 56	5,742,354 30	6,961 13	4,074 38	2,886 75	58.53
1885-86, . . .	1,943.52	13,076,795 34	8,126,506 64	4,950,288 70	6,728 41	4,181 33	2,547 08	62.15
1886-87, . . .	1,943.52	14,979,992 30	8,953,502 06	6,026,490 24	7,707 66	4,606 85	3,100 81	59.77
1887-88, . . .	2,027.00	16,360,241 44	10,267,535 11	6,092,706 33	8,071 16	5,065 39	3,005 77	62.76
1888-89, . . .	2,161.64	16,599,396 24	10,326,085 57	6,273,310 67	7,679 08	4,776 97	2,902 11	62.21
1889-90, . . .	2,198.25	18,846,003 92	11,419,092 47	7,426,911 45	8,573 19	5,194 63	3,378 56	60.59
1890-91, . . .	2,250.32	19,220,728 62	12,058,444 59	7,162,284 03	8,541 33	5,358 54	3,182 79	62.74

CONSTRUCTION ACCOUNT.

The expenditures during the year for improvements and additions to the several properties are as follows:

CARS BUILT IN COMPANY'S SHOPS—

1 General Manager's car,	\$10,084 81	
2 baggage cars,	4,293 11	
1 wrecking car,	2,171 14	
Charcoal cars, changed from stock cars,	5,460 25	
		\$22,009 31

PASSENGER CARS BOUGHT—

1 parlor vestibule car,	\$9,253 18	
14 passenger cars,	70,609 25	
		79,862 43

FREIGHT CARS BOUGHT—

200 gondola cars,		88,432 79
-----------------------------	--	-----------

ENGINES BOUGHT—

10 consolidation engines,	\$106,580 00	
5 ten-wheel passenger engines,	53,950 00	
5 six-wheel switching engines,	40,005 00	
		200,535 00

SECOND TRACKS—

East Louisville to Anchorage,	\$9,012 52	
Louisville to South Louisville,	14,640 10	
South Louisville to Shepherdsville,	60,276 86	
Shepherdsville to Lebanon Junction,	52,453 81	
Edgefield Junction to East Nashville,	32,674 42	
Boyles to Oxmoor,	16,816 93	
		185,874 64

IMPROVEMENTS AT LOUISVILLE—

Union Passenger Depot, Tenth and Broadway,	\$88,904 83	
Train shed, Tenth and Broadway,	22,275 64	
Coach shed, Tenth and Broadway,	3,549 73	
Carried forward,	\$114,730 20	\$576,714 17

<i>Brought forward</i> ,	\$114,730 20	\$576,714 17
Annex and carriage shed, Tenth and Broadway,	10,365 11	
Platform, passenger depot, Tenth and Broadway,	2,830 59	
Fencing and wall, passenger depot, Tenth and Broadway,	6,299 37	
Water supply, passenger depot, Tenth and Broadway,	2,001 43	
Paving sidewalk, passenger depot, Tenth and Broadway,	8,594 87	
Grading and draining grounds, Tenth and Broadway,	637 39	
Tracks and ballast, passenger depot, Tenth and Broadway,	\$39,090 23	
<i>Less</i> —Value material, tracks taken up,	2,437 16	
		36,653 07
Re-arrangement and additional freight facilities, Ninth and Br'dway—b'ldings and platforms,	32,839 28	
Granite pavement, south side Broadway,	11,617 40	
Extending side tracks, Louisville yard,	\$2,931 08	
<i>Less</i> —Value material, siding taken up,	226 74	
		2,704 34
Tracks in new yard, Oak Street,	2,218 32	
New machinery, Louisville shops,	\$2,935 99	
<i>Less</i> —Machinery transferred to Alabama Mineral Railroad,	1,490 00	
		1,445 99
Sand and scrap-iron house, Tenth Street,	284 11	
"A" Street connection,	1,209 74	
City cisterns, Tenth and Lexington streets and Tenth and Maple streets,	732 00	
Filling Water Street yard,	2,097 15	
Fencing right of way, Water Street to Beargrass Creek,	1,154 82	
Filling between Floyd and Preston streets,	1,359 01	
Safety gates, Floyd and Fulton streets,	160 79	
Improvement track, etc., Market Street yard,	6,783 32	
Coal chutes at East Louisville,	3,603 47	
Undergrade, Pope and Charlton streets,	397 42	
Improvement South Louisville yard,	34,286 58	
		285,005 77
IMPROVEMENTS AT ROWLAND—		
Yard tracks, turn-table, etc.,		3,389 69
IMPROVEMENTS AT BOWLING GREEN—		
Underpass,	\$2,423 76	
Water supply,	48 62	
Draining shop yard,	297 81	
		2,770 19
IMPROVEMENTS AT HOWELLS—		
Building—Office, store-room, etc.,	\$15,991 31	
New tracks,	1,242 59	
Track scales,	1,011 10	
New machinery,	1,199 98	
Filling and grading yard,	7,096 26	
		26,541 24
IMPROVEMENTS AT NEW DECATUR—		
New machinery,	\$3,129 08	
Water supply,	513 01	
Shop tracks,	363 17	
Fencing shop yard, etc.,	198 30	
Grading and curbing Fourth and Sixth avenues,	400 88	
		4,604 44
IMPROVEMENTS AT EAST ST. LOUIS—		
Raising grade, Missouri Avenue,	\$2,349 90	
Raising grade, St. Clair Avenue,	2,629 35	
Track scales,	1,047 57	
Filling pond,	77 56	
		6,104 38
IMPROVEMENTS AT NASHVILLE—		
Re-constructing East Nashville yard,	\$302 87	
Coal bins, East Nashville,	465 53	
Track to Bush's brick-yard,	5,926 56	
Track down Front Street,	7,617 13	
		14,312 09
<i>Carried forward</i> ,		\$919,441 97

Brought forward,		\$19,441 97	
IMPROVEMENTS AT NEW ORLEANS—			
Claiborne Street tracks,	\$1,772 77		
Safety gates and watch house,	113 02		1,885 79
IMPROVEMENTS AT PENSACOLA—			
Dredging Pensacola Bay,	\$12,418 70		
Track scales, Muscogee wharf,	19 05		
Water supply, Muscogee wharf,	1,000 24		
Additional warehouse, Muscogee wharf,	74 46		
Arrangements for handling coal,	613 24		
Arrangements for handling fertilizer,	700 00		13,915 69
IMPROVEMENTS AT MEMPHIS—			
Track scales,	\$12 75		
Filling shop yard,	61 70		74 65
IMPROVEMENTS AT BIRMINGHAM—			
Birmingham yard, changing and extending tracks,	\$4 58 00		
Water supply,	167 75		172 33
IMPROVEMENTS AT NEWPORT—			
Overhead bridges,	\$1,000 00		
Crossing gates,	25 00		
Filling well,	40 00		1,065 00
IMPROVEMENTS AT MOBILE—			
Yard facilities, tracks,	\$1,000 00		
Mobile shops, new machinery,	400 00		1,400 00
Bridges,			1,000 00
Ballast,			10,000 00
BUILDINGS—Depots, platforms, etc.,			
Section houses, fences and walls,	\$1,000 00		
Water stations,	100 00		
Telegraph offices,	60 00		
Tool and watch houses,	20 00		
Shops, repairable, etc.,	20 00		1,200 00
Side tracks in line,			1,000 00
Cross-over tracks,			1,000 00
Filling ties,			1,000 00
Interlocking arrangements,			1,000 00
Signal towers, flagmen, junction and crossing,			1,000 00
Wharfing enhancements,			1,000 00
Difference in weight of rails rails requiring lighter rails in old lines,			1,000 00
TELEGRAPH LINES—			
Louisville to Middlebury,	2,000 00		
Louisville to Cincinnati,	1,000 00		
Connecting Louisville Terminal office,	1,000 00		3,000 00
Real estate bought,			1,000 00
Crivers,			1,000 00
Fencing in line,			1,000 00
Right of way,			1,000 00
RAISING GRADE—Tennessee River bridge, Memphis, etc.,			
Work, low bridge, etc.,			1,000 00
Texas bridge, etc.,			1,000 00
Cost for material in construction of same,			1,000 00
Carrs forward,			1,000 00

<i>Brought forward</i> ,		\$1,680,038 22
OVERHEAD BRIDGES—Maplewood, Main Stem,	\$111 20	
Campbellsburg, Cincinnati Division,	231 42	
Mt. Pleasant, Nashville & Decatur Division,	3,229 52	
Reynolds, Nashville & Decatur Division,	760 30	
Godwins, Nashville & Decatur Division,	669 30	
		5,001 74
Fill at English on Cincinnati Division,	\$6,326 45	
Fill at Kentucky Central Railroad crossing at Milldale,	900 06	
Fill at Breeden's Hollow, Springfield Branch,	697 35	
		7,923 86
Interchange with Vanderbilt Steel and Iron Company, Boyles' yard,	4,285 50	
Connection with Paducah, Tennessee & Alabama Railroad at Paris, Tenn.,	5,421 47	
Retaining walls on Cincinnati Division,	632 97	
Widening approach to Eagle Tunnel, Cincinnati Division,	4,795 16	
Widening tunnel No. 2 on Knoxville Branch,	194 51	
Oil-storage tank at West Pascagoula,	2,369 76	
Draining tracks, miles 30 and 67, Cincinnati Division,	1,694 74	
Draining cut, mile 118, Main Stem,	348 25	
Drain tile in wet cuts on Main Stem,	218 50	
Guard rail on Baker's Hill, Henderson Division,	367 63	
Pond drain at Parksville, Knoxville Branch,	634 54	
Pond drain at La Grange, Cincinnati Division,	13 10	
Water supply at McKenzie,	960 00	
Semaphore signals on Cincinnati Division,	110 11	
Change in line at ten-mile water station, Cincinnati Division,	228 00	
Incline at Scranton,	79 33	
Underpass at Columbia,	110 00	
Evansville, safety gates,	754 06	
Ditching on line, Cincinnati Division,	110 29	
Difference value ties replaced on Clarksville & Princeton Railroad,	174 81	
Sundries—Depot scales, signals, etc.,	136 22	
		\$1,716,602 77
DEDUCT—		
For material received from side tracks taken up,	5,546 48	
Total,		<u>\$1,711,056 29</u>

COST OF ROAD AND EQUIPMENT.

There has been expended during the year \$3,295,161.15, which has been charged to the cost of road of the following Divisions, viz.:

Main Stem,	\$915,816 39
New Orleans Division,	83,550 95
Birmingham Mineral Railroad,	889 02
Springfield Branch,	1,144 57
Knoxville Branch,	35,302 60
Cumberland Valley Branch,	1,797,087 61
Memphis Line,	81,825 14
Clarksville & Princeton Division,	1,503 27
Henderson Division,	88,718 51
St. Louis Division,	61,999 42
Pensacola & Selma Division,	460 37
Pensacola Division,	15,970 77
Louisville, Cincinnati & Lexington Railway,	209,746 84
Louisville, Harrod's Creek & Westport Railroad,	1,145 69
	<u>\$3,295,161 15</u>

There has also been added to the cost of road the cost of the Pensacola & Atlantic Railroad, \$3,703,459.91, and the cost of the Alabama Mineral Railroad, \$2,524,711.27, both of which hereafter will form a part of the Louisville & Nashville system.

In addition to the foregoing, the discount on the Unified fifty-year four-per-cent Gold Mortgage Bonds sold has been charged to the cost of the following Divisions, viz.:

Main Stem,	\$295,987 50
Knoxville Branch,	98,971 88
Memphis Line,	118,209 36
Henderson Division,	150,946 88
Louisville, Cincinnati & Lexington Division,	179,634 38
	<hr/>
	\$843,750 00
Making the total addition to the cost of road for the year,	\$10,367,082 33
Which added to the cost of road, June 30, 1890,	77,790,154 63
	<hr/>
Shows the total cost to June 30, 1891, as per Table No. III,	\$88,157,236 96

COST OF BRANCHES.

ALABAMA MINERAL RAILROAD: There was charged to this line during the year \$911,843.49. There had been previously charged \$1,612,867.78, making the total cost to June 30, 1891, \$2,524,711.27.

BIRMINGHAM MINERAL: There was charged to this line during the year \$293,648.57. There had been previously charged \$6,063,889.55, making the total cost to June 30, 1891, \$6,357,538.12, which is represented by the bonds and stock of that Company, which are all owned by the Louisville & Nashville Railroad Company. The total length of this road on June 30, 1890, was 156.22 miles. During the fiscal year ended June 30, 1891, there has been constructed 5.62 miles, making the total length of the road at that date 161.84.

CUMBERLAND VALLEY BRANCH: There was expended during the year on the road west of Cumberland Gap, \$26,721.90, and on the road east of Cumberland Gap, \$1,770,365.71, making a total of \$1,797,087.61. There had been previously expended on the road west of Cumberland Gap, \$1,406,558.50, and on road east of Cumberland Gap, \$1,337,354.02, making the total cost to June 30, 1891, \$4,541,000.13.

CLARKSVILLE MINERAL BRANCH: There has been expended during the year \$352,625.36.

STEEL RAILS.

At the close of the fiscal year ended June 30, 1890, there were in the tracks:

Steel rails,	2,037.40	
Iron rails,	178.80	
	<hr/>	2,216.20 miles.

There have been added during the year on new tracks:

Birmingham Mineral Railroad, steel,	5.62	
Cumberland Valley Division,	6.18	
	<hr/>	11.80 miles.
Total,		2,228.00 miles.

During the year there were 106.58 miles of track relaid with new steel rails, replacing old steel, at a cost of \$213,127.81.

Of this amount \$135,862.59 has been charged to Operating Expenses, and \$77,265.22 to Construction Account, for difference in weight caused by replacing lighter rails with heavier rails.

4.69 miles of old steel rails from main lines were used to replace old iron rails in branch lines, and 11.80 miles of new steel rails laid in new lines, viz., Birmingham Mineral Railroad and Cumberland Valley Division.

There are in the track, therefore, on June 30, 1891:

Steel rails,	2,053.89	
Iron rails,	174.11	
	<hr/>	2,228 miles.

Of the new steel laid 25.54 miles is of the 58 $\frac{1}{4}$ -pound pattern, and 97.53 miles is of the 70-pound pattern.

INTEREST CHARGES FOR 1891-92.

The interest charges against Income Account for the fiscal year 1891-92 are estimated as follows :

	Principal of Debt.	Amount of Int.
Consolidated Mortgage Bonds,	\$7,070,000	\$494,900
City of Louisville, Lebanon Branch Extension Bonds,	333,000	19,980
General Mortgage Bonds,	11,626,000	693,780
Memphis & Ohio Sterling Mortgage Bonds,	3,500,000	248,784
Memphis, Clarksville & Louisville Sterling Mortgage Bonds,	2,015,660	121,540
Cecilia Branch First Mortgage Bonds,	826,000	56,875
Evansville, Henderson & Nashville Division First Mortgage Bonds,	2,271,000	135,300
Pensacola Division First Mortgage Bonds,	580,000	34,800
Lebanon-Knoxville Branch Bonds,	1,500,000	90,000
Southeast & St. Louis Division First Mortgage Bonds,	3,500,000	210,000
Southeast & St. Louis Division Second Mortgage Bonds,	3,000,000	90,000
Louisville & Nashville and South & North Alabama Trust Deed Bonds,	1,960,000	117,600
Louisville & Nashville and Mobile & Montgomery Trust Deed Bonds,	2,677,000	160,620
New Orleans & Mobile Division First Mortgage Bonds,	5,000,000	300,000
New Orleans & Mobile Division Second Mortgage Bonds,	1,000,000	60,000
Six-per-cent Collateral Trust Bonds called; interest ceased May 1st, 1890,	1,000	. . . . .
Ten-forty Adjustment Bonds,	4,531,000	271,860
Louisville, Cincinnati & Lexington First Mortgage Bonds,	2,850,000	199,500
Louisville, Cincinnati & Lexington Second Mortgage Bonds,	892,000	62,440
Louisville, Cincinnati & Lexington General Mortgage Bonds,	3,258,000	195,480
Pensacola & Selma Division Bonds,	1,248,000	74,880
Pensacola & Atlantic First Mortgage Bonds,	3,000,000	180,000
Five-per-cent First Mortgage Trust Gold Bonds,	5,129,000	256,450
First Mortgage Five-per-cent Fifty-year Gold Bonds,	1,764,000	88,200
Unified Fifty-year Four-per-cent Gold Mortgage Bonds,	8,784,000	351,360
	<u>\$78,315,660</u>	<u>\$4,514,349</u>
DEDUCT BONDS INCLUDED IN FOREGOING; DEPOSITED WITH TRUSTEES.		
To secure Ten-forty Adjustment Bonds and Unified Fifty-year Four-per-cent Gold Mortgage Bonds—		
Lebanon-Knoxville Branch,	\$1,500,000	\$90,000
Louisville & Nashville and Mobile & Montgomery Trust Deed Bonds,	2,677,000	160,620
Louisville, Cincinnati & Lexington General Mortgage Bonds,	3,208,000	192,480
Pensacola & Selma Division First Mortgage Bonds,	898,000	53,880
Pensacola & Atlantic First Mortgage Bonds,	1,000,000	60,000
And also as collateral for Georgia Railroad Lease Pensacola & Selma Division First Mortgage Bonds,	350,000	21,000
To be deducted from foregoing total,	<u>\$9,633,000</u>	<u>\$577,980</u>
Total,	<u>\$68,682,660</u>	<u>\$3,936,369</u>
Deduct to secure Louisville & Nashville and South & North Alabama Trust Deed Bonds for \$1,960,000, included in foregoing,	1,960,000	117,600
Total Louisville & Nashville Railroad Company,	<u><u>\$66,722,660</u></u>	<u><u>\$3,818,769</u></u>
Nashville & Decatur First Mortgage Bonds,	\$2,100,000	\$147,000
Nashville & Decatur Railroad Stock,	2,265,582	135,364
South & North Alabama Railroad Sterling Bonds,	4,496,920	271,164
South & North Alabama Railroad Second Mortgage Bonds,	2,000,000	120,000
South & North Alabama Railroad Consolidated Mortgage Bonds,	3,362,000	168,100
Louisville Railway Transfer First Mortgage Bonds,	286,000	22,880
Shelby Railroad Rent, . . . . .	. . . . .	15,000
Kentucky Central Railway Company First Mortgage Bonds,	6,523,000	260,920
Carried forward,	<u>\$21,033,502</u>	<u>\$1,140,428</u>

<i>Brought forward</i> ,	\$21,033,502	\$1,140,428
Maysville & Lexington Railroad Company,	400,000	28,000
Covington & Lexington Five-per-cent Bonds,	219,000	10,950
	<u>\$21,652,502</u>	<u>\$1,179,378</u>
Louisville & Nashville Railroad debt and interest,	\$66,722,660	\$3,818,769
Other companies in the system,	21,652,502	1,179,378
	<u>\$89,375,162</u>	<u>\$4,998,147</u>
DEDUCT—		
Interest on Louisville & Nashville Railroad Bonds in Treasury,	\$148,100	
Rent Cecilia Branch,	60,000	
		<u>208,100</u>
Total estimated interest charges for 1891-92,		<u>\$4,790,047</u>

PAYMENTS ON ACCOUNT OF SINKING FUNDS, 1891-92.

Memphis, Clarksville & Louisville Sterling,	August 1, 1891,	\$36,580	
Memphis, Clarksville & Louisville Sterling,	February 1, 1892,	12,280	
Pensacola Division,	September 1, 1891,	8,000	
Louisville & Nashville and South & North Alabama Trust Deed,	October 1, 1891,	20,000	
Evansville, Henderson & Nashville Division,	December 1, 1891,	30,000	
Louisville, Cincinnati & Lexington First Mortgage,	January 1, 1892,	50,000	
Louisville, Cincinnati & Lexington Second Mortgage,	January 1, 1892,	10,000	
Cecilia Branch,	March 1, 1892,	40,000	
General Mortgage,	June 1, 1892,	200,485	
		<u>\$407,345</u>	
South & North Alabama Sterling,	November 1, 1891,	27,850	
South & North Alabama Sterling,	December 1, 1891,	53,460	
South & North Alabama Sterling,	May 1, 1892,	27,850	
Nashville & Decatur Railroad,	April 1, 1892,	19,000	
		<u>128,160</u>	
Total,			<u>\$535,505</u>

GUARANTEES FOR OUTSIDE COMPANIES, Etc., 1891-92.

Joint lease of the Georgia Railroad with the Central Railroad Company of Georgia—	
Total yearly rental under lease,	\$600,000
Louisville & Nashville Railroad Company's liability for half rental,	300,000

By reference to the General Results statement it will be seen that there was a profit on this lease for the past year of \$60,658.18.

Southern Division Cumberland & Ohio Railroad, guaranteed interest,	\$21,000
Nashville, Florence & Sheffield Railway, 1,920 bonds, guaranteed interest,	96,000

BONDS IN SINKING FUNDS.

The trustees of the Memphis, Clarksville & Louisville Railroad Company First Mortgage hold the following bonds for the Sinking Fund:

75 Louisville & Nashville Five-per-cent Trust Bonds, \$1,000 each,	\$75,000 00
18 Louisville & Nashville General Mortgage Bonds, \$1,000 each,	18,000 00
11 Pensacola & Atlantic First Mortgage Bonds, \$1,000 each,	11,000 00
14 Nashville, Chattanooga & St. Louis First Mortgage Tracy City Branch Bonds, at \$1,000 each,	14,000 00
30 Nashville, Chattanooga & St. Louis Bon Air Line Bonds, \$1,000 each,	30,000 00
93 Nashville, Florence & Sheffield First Mortgage Bonds, \$1,000 each,	93,000 00
58 South & North Alabama Five-per-cent Consolidated Mortgage Bonds, \$1,000 each,	58,000 00
3 Louisville & Nashville Unified Fifty-year Four-per-cent Bonds, \$1,000 each,	3,000 00
	<u>\$302,000 00</u>

The trustees of the South & North Alabama Railroad Company Sterling Mortgage hold the following bonds for the Sinking Fund:

93 South & North Alabama Sterling Mortgage Bonds, \$1,000 each,	\$93,000 00
235 Louisville & Nashville Five-per-cent Trust Bonds, \$1,000 each,	235,000 00
5 Louisville & Nashville Pensacola Division First Mortgage Bonds, \$1,000 each,	5,000 00
45 Louisville & Nashville General Mortgage Bonds, \$1,000 each,	45,000 00
191 Pensacola & Atlantic First Mortgage Bonds, \$1,000 each,	191,000 00
	<u>\$569,000 00</u>

The Nashville & Decatur Railroad Company holds for its First Mortgage Sinking Fund the following:

200 Nashville & Decatur First Mortgage Bonds, \$1,000 each,	\$200,000 00
91 Louisville & Nashville Pensacola Division First Mortgage Bonds, \$1,000 each,	91,000 00
39 Nashville, Chattanooga & St. Louis Seven-per-cent Bonds, \$1,000 each,	39,000 00
20 Nashville, Chattanooga & St. Louis Five-per-cent Bonds, \$1,000 each,	20,000 00
70 Tennessee Three-per-cent Bonds, \$1,000 each,	70,000 00
29 South & North Alabama Five-per-cent Consolidated Mortgage Bonds, \$1,000 each,	29,000 00
4 Nashville Corporation Bonds, \$1,000 each,	4,000 00
11 Nashville Corporation Bonds, \$500 each,	5,500 00
2 Nashville Corporation Bonds, \$300 each,	600 00
6 Nashville Corporation Bonds, \$100 each,	600 00
2 Nashville Water Works Bonds, \$500 each,	1,000 00
3 Davidson County Bonds, \$500 each,	1,500 00
	<u>\$462,200 00</u>

The trustees of the Louisville & Nashville and South & North Alabama Trust Deed hold the following bonds for the Sinking Fund:

66 Louisville & Nashville Five-per-cent Trust Bonds, \$1,000 each,	\$66,000 00
21 Louisville & Nashville and South & North Alabama Trust Deed Bonds, \$1,000 each,	21,000 00
	<u>\$87,000 00</u>

EQUIPMENT.

At the close of the fiscal year ended June 30, 1890, the equipment consisted of fourteen thousand two hundred and eighty-four (14,284) cars, and four hundred and fifty-seven (457) locomotives, all of which have been maintained in efficient condition at a cost of \$2,037,434.53, which has been charged to operating expenses. The expenditures last year on this account were \$2,000,812.79, showing an increase of \$36,621.74. The Company has no Car Trust Bonds outstanding.

There have been built in the various shops of the Company, and charged to operating expenses, three hundred and eighty-six cars, consisting of two passenger coaches, three baggage cars, fifteen cabooses, sixty box cars, one fruit car, eighty-four rack cars, fifty-five flat cars, one hundred and fifty coke cars, one oil car, two gondola (eight wheel) cars, one drop-bottom car, eleven boarding cars, one tool car.

There were built in the shops, and charged to construction account, one General Manager's car, one wrecking car, two baggage cars; and there were bought fifteen coaches, two hundred double-hopper cars, making a total of two hundred and nineteen (219) cars charged to that account.

This makes the equipment as of July 1, 1891, as follows:

Car Equipment June 30, 1890,	14,284
Charged to Operating Expenses during the year,	386
Charged to Construction during the year,	219
	<u>14,889</u>

From this is to be deducted:

Cars destroyed during the year,	373
Cars sold during the year,	1
	<u>374</u>
Leaving a balance on hand July 1, 1891, of	14,515

BIRMINGHAM MINERAL RAILROAD: At the close of the fiscal year ended June 30, 1890, the equipment of the Birmingham Mineral Railroad consisted of twelve hundred and eighty-seven (1,287) cars of all kinds; there were built in the Company's shops three box cars, making a total of twelve hundred and ninety (1,290) cars, from which has to be deducted three box cars, seven double-hopper cars, three single-hopper cars, destroyed during the year, leaving on hand July 1, 1891, twelve hundred and seventy-seven (1,277) cars.

OWENSBORO & NASHVILLE RAILWAY: At the close of the fiscal year ended June 30, 1890, the equipment of the Owensboro & Nashville Railway consisted of two hundred and ninety-nine cars of all kinds; there was built in the Company's shops one drop-bottom car, making a total of three hundred (300) cars, from which has to be deducted one box and one drop-bottom car destroyed, leaving on hand July 1, 1891, two hundred and ninety-eight cars.

NASHVILLE, FLORENCE & SHEFFIELD RAILWAY: At the close of the fiscal year ended June 30, 1890, the equipment of the Nashville, Florence & Sheffield Railway consisted of four hundred and ninety cars of all kinds; there were built in the Company's shops two box cars, making a total of four hundred and ninety-two cars, from which has to be deducted three box and two double-hopper cars destroyed, leaving on hand July 1, 1891, four hundred and eighty-seven cars.

PENSACOLA & ATLANTIC RAILROAD: At the close of the fiscal year ended June 30, 1890, the equipment of the Pensacola & Atlantic Railroad consisted of sixty-eight cars of all kinds, from which has to be deducted one flat car destroyed, leaving on hand July 1, 1891, sixty-seven cars.

KENTUCKY CENTRAL RAILWAY: At the close of the fiscal year ended June 30, 1890, the equipment of the Kentucky Central Railway consisted of one thousand and one cars of all kinds, from which has to be deducted four box cars, twelve rack cars, five flat cars, ten gondola (eight-wheel) cars, destroyed during the year, leaving on hand July 1, 1891, nine hundred and seventy cars.

ALABAMA MINERAL RAILROAD: At the close of the fiscal year ended June 30, 1890, the equipment of the Alabama Mineral Railroad consisted of two hundred and sixty-five cars of all kinds, from which has to be deducted one box car destroyed, leaving on hand July 1, 1891, two hundred and sixty-four cars.

LOCOMOTIVES: At the close of the fiscal year ended June 30, 1890, the Company owned four hundred and fifty-seven locomotives; there were purchased during the year fifteen consolidation locomotives, five passenger locomotives, five switching locomotives, making in all twenty-five, five of which were charged to operating expenses, and twenty to construction account; five of the old locomotives were condemned and destroyed during the year, leaving on hand July 1, 1891, four hundred and seventy-seven locomotives.

Your attention is called to the table below, showing the excess of mileage paid on foreign cars during the last six years:

1885-86,	\$22,868 38
1886-87	172,000 00
1887-88,	169,545 04
1888-89,	113,107 26
1889-90,	134,480 00
1890-91,	168,636 97

For comparison, your attention is called to the following tables showing the number of locomotives, passenger equipment, and freight cars on hand at the close of each of the past six fiscal years:

LOUISVILLE & NASHVILLE RAILROAD COMPANY.

	1885-86	1886-87	1887-88	1888-89	1889-90	1890-91
Engines,	389	389	413	428	457	477
Passenger equipment,	316	311	319	330	330	347
Freight cars,	10,123	10,907	11,681	12,215	13,954	14,168

BIRMINGHAM MINERAL RAILROAD COMPANY.

Engines,			5	5	7	15
Passenger equipment,						
Freight cars,			561	1,280	1,287	1,277

OWENSBORO & NASHVILLE RAILWAY COMPANY.

Engines,	2	2	4	4	4	4
Passenger equipment,	6	6	5	5	5	5
Freight cars,	30	17	32	299	294	293

NASHVILLE, FLORENCE & SHEFFIELD RAILWAY COMPANY.

Engines,	2	2	2	2	2	2
Passenger equipment,	2	2	2	2	2	2
Freight cars,	4	3	245	482	488	485

KENTUCKY CENTRAL RAILWAY.

Engines,						29
Passenger equipment,						48
Freight cars,						922

ALABAMA MINERAL RAILROAD.

Engines,						3
Passenger equipment,						6
Freight cars,						258

PENSACOLA & ATLANTIC RAILROAD.

Engines,			10	10	10	10
Passenger equipment,			8	8	8	8
Freight cars,			68	62	60	59

RECAPITULATION.

Engines,	393	393	434	449	480	540
Passenger equipment,	324	319	334	345	345	416
Freight cars,	10,157	10,927	12,587	14,338	16,083	17,462

PASSENGER TRAFFIC.

The whole number of passengers carried was 5,276,618, an increase over the number carried last year of 82,988, equal to 1.59 per cent.

The average fare received per passenger was 88 cents, against 87 cents last year, an increase of 1.14 per cent.

The aggregate number carried one mile was 192,649,028, against 191,679,111 in the previous year, an increase equal to .56 per cent.

The number of passenger train miles was 4,452,257 against 4,380,300, being an increase of 1.64 per cent compared with last year. The net earnings per train mile were 47.014 cents, against 44.951 cents in the previous year, an increase of 4.59 per cent.

The average number of passengers carried in each train was 40.41 against 42.23 in the previous year, a decrease of 4.31 per cent.

The average number carried in each passenger car was 11.92, against 11.73 in the previous year, an increase of 1.62 per cent.

The average distance traveled by each passenger was 35.76 miles, against 36.10 in the previous year, and the average rate per mile received from each passenger was 2.45 cents, against 2.42 cents in the preceding year.

FREIGHT TRAFFIC.

The earnings derived from the freight traffic for the year show an increase of \$240,791, the figures being \$12,547,990.54 gross freight earnings, against \$12,307,199.55 earned in the previous year, an increase of 1.96 per cent.

The tonnage carried was 9,960,916 tons, against 9,571,866 tons carried the previous year, an increase of 389,050 tons, or 4.07 per cent.

The average rate received per ton was 72.66 cents, against 73.73 cents the previous year, a decrease of 1.45 per cent.

The number of tons moved one mile was 1,293,687,268, against 1,250,836,794 in the previous year, an increase of 42,850,474, or 3.43 per cent, and the average rate received per ton per mile was .970 of a cent, against .984 of a cent in the previous year, a decrease of 1.42 per cent.

The number of freight train miles was 8,001,118 against 7,825,190 in the previous year, an increase of 2.25 per cent.

The net earnings per train mile were 53.510 cents, against 59.355 cents in the previous year, a decrease of 9.85 per cent.

The number of mixed train miles was 315,381, against 331,332 in the previous year, a decrease of 4.81 per cent.

The average number of cars hauled in each train was 17.94, against 18.32 in the previous year, a decrease of 2.07 per cent.

The average number of tons carried in each train was 167.42, against 164.77 in the previous year, an increase of 1.61 per cent.

The average number of tons in each loaded car was 12.83, against 12.57 in the previous year, an increase of 2.07 per cent.

The average number of miles that each ton was carried was 75 miles, against 75 miles in the previous year.

GENERAL IMPROVEMENT.

The new Union Passenger Station at Louisville, on Broadway, between Tenth and Eleventh Streets, was opened for traffic on September 7, 1891. The total expenditure on this account, including tracks, etc. to date, is \$310,656.47.

DOUBLE TRACKS.

The double tracks authorized by the Board, and mentioned in the last report, have all been completed with the exception of the one from Shepherdsville to Lebanon Junction, a distance of about twelve miles, on which there has been expended to date \$53,481.94, and the one from South Louisville to East Louisville 4.13 miles in length.

NASHVILLE, CHATTANOOGA & ST. LOUIS RAILWAY.

Your attention is called to the statement of general results from the operations of this road for the past year, compared with the year previous :

	For twelve months ended June 30, 1891.		For twelve months ended June 30, 1890.	
Gross earnings,	\$3,943,303 74		\$3,550,461 42	
Operating expenses,	2,323,722 39		2,139,850 90	
Net earnings,		\$1,619,581 35		\$1,410,610 52
Interest and taxes,	\$914,798 68		\$873,388 55	
Improvements,	142,617 34		85,881 83	
		1,057,416 02		959,270 38
Surplus,		\$562,165 33		\$451,340 14
Dividends paid,		333,427 98		333,427 72
Net surplus for the year,		\$228,737 35		\$117,912 42

KENTUCKY CENTRAL RAILWAY.

In December last, the Company contracted to purchase not less than two thirds of the outstanding capital stock of the Kentucky Central Railway Company, agreeing to pay therefor on the basis of \$1,500,000 of Unified Four-per-cent Gold Bonds and \$2,000,000 of South & North Alabama Railroad Company's Five-per-cent Consolidated Bonds for 69,088 shares, being the total number of shares of outstanding capital stock. Under this agreement the Company had on June 30, 1891, received 69,064 shares, and had paid therefor in bonds as aforesaid, \$3,498,783.90. At this date all but three shares of the stock have been received and paid for.

The Kentucky Central Railway Company owns 215.39 miles, and leases 33.04 miles of railroad, the main line extending from Covington to Livingston, Ky., with branches from Maysville to Paris, Paris to Lexington, and Richmond to Rowland. It connects with the railroad of the Louisville & Nashville Railroad Company at Milldale, near Cincinnati, at Lexington, Ky., at Rowland, Ky., and at Livingston, Ky. In securing this property the Company acquires a road with an important local traffic, and one that reduces the distance between all points on Louisville & Nashville Railroad south of Livingston, Ky., and Cincinnati, Ohio, ninety-four miles; also valuable terminal facilities in Covington, Ky., and Cincinnati, Ohio.

It is believed that the property acquired will be directly profitable, and that it will add to the value of your system of roads.

PENSACOLA & ATLANTIC RAILROAD.

This road was sold under foreclosure sale on May 4, 1891, and bought by the Louisville & Nashville Railroad Company for the protection of its interests therein, it being a large creditor of the Pensacola & Atlantic Railroad Company, and the guarantor of its first mortgage bonds.

By order of the Board of Directors,

M. H. SMITH,
President.

AUGUST BELMONT,
Chairman.

REPORT OF THE COMPTROLLER.

ACCOUNTING DEPARTMENT LOUISVILLE & NASHVILLE RAILROAD COMPANY,

LOUISVILLE, September 15, 1891.

MR. M. H. SMITH,

PRESIDENT:

I submit herewith statements showing the financial condition of the Company, and the results from operation for the year ended June 30, 1891, as shown in the following tables:

No. I.—Income Account.

No. II.—Profit and Loss.

No. III.—General Balance Sheet.

No. IV.—Bonded Debt.

No. V.—Securities owned by the Company.

No. VI.—Gross Earnings, Operating Expenses, and Net, by Months.

No. VII.—Total Earnings, Operating Expenses, and Net.

Very respectfully,

CUSHMAN QUARRIER,

Comptroller.

TABLE No. I.

INCOME ACCOUNT, JUNE 30, 1891.

GROSS EARNINGS—		
From freight,	\$13,113,965 40	
From passenger,	4,800,688 34	
From mails,	431,025 80	
From express,	427,424 55	
From miscellaneous,	447,624 53	
Total earnings,		\$19,220,728 62
DEDUCT OPERATING EXPENSES—		
Conducting transportation,	\$4,752,901 00	
Motive power,	2,738,354 31	
Maintenance of cars,	1,267,128 23	
Maintenance of way and structures,	2,097,669 81	
General expenses,	1,202,391 24	
Total operating expenses, 62.74 per cent,		12,058,444 59
Net earnings from traffic, 37.26 per cent,		\$7,162,284 03
DEDUCT FIXED CHARGES—		
Interest and rents,	\$4,207,629 40	
Taxes,	410,809 55	
		\$4,618,438 95
DEDUCT—		
Loss on Pensacola & Atlantic Railroad,	\$189,991 78	
Loss on Alabama Mineral Railroad,	15,501 92	
		205,493 70
		4,823,932 65
Net earnings,		\$2,338,351 38
ADD—		
Income from investments,	\$657,216 85	
Georgia Railroad Lease profit,	60,658 18	
		717,875 03
Net income for the year,		\$3,056,226 41
DEDUCT—		
Two-and-a-half-per-cent cash dividend declared January 7, 1891,	\$1,200,000 00	
Two-and-a-half-per-cent cash dividend declared July 9, 1891,	1,200,000 00	
		2,400,000 00
Net surplus,		\$656,226 41

TABLE No. II.
PROFIT AND LOSS ACCOUNT, JUNE 30, 1891.

<i>Debits.</i>	
To balance to the debit of this account July 1, 1890,	\$1,255,482 57
Ten-per-cent Premium on 216 bonds redeemed for Sinking Fund account,	\$21,600 00
Ten-per-cent Premium on 207 six-per-cent Collateral Trust Bonds redeemed,	20,700 00
	42,300 00
Experimental surveys,	11,993 42
Balance to credit of this account June 30, 1891,	50,934 06
	<u>\$1,360,710 05</u>
<i>Credits.</i>	
By donation for shops at Howells' Station,	\$30,000 00
Subscription from Sheffield Land, Iron and Coal Company,	30,000 00
Interest received on Bonds in Sinking Fund,	18,535 00
Increase in value of 19,876 shares Birmingham Mineral Railroad stock,	626,284 00
Difference between actual cost of constructing Birmingham Mineral Railroad and bonds received,	74,631 27
\$550,000—Alabama Mineral Railroad First Mortgage Bonds,	550,000 00
Premium on 1,087 South & North Alabama Railroad Five-per-cent Consol. Bonds sold,	22,175 00
Credits from various sources,	9,084 78
	<u>\$1,360,710 05</u>

TABLE No. III.
GENERAL BALANCE SHEET, JUNE 30, 1891.

<i>Dr.</i>	<i>Assets.</i>
	COST OF ROAD AND EQUIPMENT.
Road fixtures and equipment,	\$88,157,236 96
Real estate, quarry and timber lands,	654,693 24
BONDS OWNED—	INVESTMENTS.
Ten-forty Adjustment Bonds,	\$519,275 00
Unified Fifty-year Four-per-cent Gold Mortgage Bonds,	2,536,000 00
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds,	50,000 00
Sloss Iron and Steel Co. First Mortgage Bonds,	44,193 25
Eureka Company First Mortgage Bonds,	29,000 00
Elkton & Guthrie Railroad First Mortgage Bonds,	25,000 00
Pensacola & Atlantic Railroad Land Grant,	906,000 00
Louisville & Nashville and Mobile & Montgomery Railway Trust Deed Bonds,	267,000 00
Nashville Iron, Steel, and Charcoal First Mortgage Bonds,	25,000 00
Five-per-cent First Mortgage Collateral Trust Gold Bonds,	316,476 81
Sundry Railroads and other Bonds,	33,140 94
	<hr/> 4,751,086 00
STOCKS OWNED—	
Nashville & Decatur Railroad,	\$787,709 87
Owensboro & Nashville Railway,	15,214 28
Nashville, Florence & Sheffield Railway,	600 00
Birmingham Mineral Railroad,	159,250 00
Elkton & Guthrie Railroad,	15,175 00
Louisville, New Albany & Chicago Railway,	66,000 00
Mobile & Montgomery Railway Company,	10,543 20
South & North Alabama Railroad Company,	15,183 56
Birmingham Rolling Mill Company,	34,600 00
Kentucky Central Railway Company,	3,498,783 90
Export Coal Company of Pensacola,	75,000 00
Sundry Railroads, and other stocks,	43,827 88
	<hr/> 4,721,887 69
MATERIAL AND SUPPLIES—IN SHOPS AND ON LINE OF ROAD,	1,482,594 79
	TRUST ACCOUNTS.
STOCKS AND BONDS HELD IN TRUST BY THE CENTRAL TRUST COMPANY OF NEW YORK, TRUSTEE FOR TEN-FORTY ADJUSTMENT BONDS AND UNIFIED FIFTY-YEAR FOUR-PER-CENT GOLD MORTGAGE BONDS, VIZ—	
Louisville & Nashville Lebanon-Knoxville Branch Bonds,	\$1,500,000 00
Louisville & Nashville Pensacola & Selma Division Bonds,	898,000 00
Louisville & Nashville Mobile & Montgomery Division Bonds,	2,677,000 00
Louisville & Nashville Louisville, Cincinnati & Lexington Railroad Company's Bonds,	3,208,000 00
Pensacola & Atlantic Railroad Bonds,	900,000 00
Alabama Mineral Railroad Bonds,	1,650,000 00
Stock in Louisville, Cincinnati & Lexington Railway Company,	3,070,959 75
Stock in South & North Alabama Railroad Company,	1,125,500 69
Stock in Mobile & Montgomery Railway Company,	3,272,906 12
Stock in New Orleans, Mobile & Texas Railroad Company, . . . . .	. . . . .
Stock in Southeast & St. Louis Railway Company,	294,000 00
Stock in Pontchartrain Railroad Company,	4,632 37
Stock in Nashville, Chattanooga & St. Louis Railway Company,	4,032,288 75
Stock in Owensboro & Nashville Railway Company,	250,728 48
Stock in Henderson Bridge Company,	501,000 00
Stock in Pensacola Railroad Company,	2,850 00
Stock in Louisville Railway Transfer Company,	38,777 95
Stock in Birmingham Mineral Railroad Company,	690,410 00
Stock in Alabama Mineral Railroad Company,	225,000 00
Stock in Nashville, Florence & Sheffield Railway Company,	60,100 00
Stock in Henderson Belt Railroad Company,	19,750 00
Carried forward,	<hr/> \$24,421,904 11
	\$99,767,498 68

TABLE No. III.
GENERAL BALANCE SHEET, JUNE 30, 1891.

Liabilities.

Cr.

CAPITAL STOCK.

Stock issued, \$47,893,820 00

CAPITAL STOCK LIABILITY.

Original stock and subsequent dividends unissued, \$85,186 80

Scrip issued on stock dividends, 20,993 20

106,180 00

Total capital stock and stock liability, \$48,000,000 00

BONDED DEBT.

General Mortgage Bonds, \$11,626,000 00

Six-per-cent Collateral Trust Bonds, 1,000 00

Consolidated Mortgage Bonds, 7,070,000 00

Ten-forty Adjustment Bonds, 4,531,000 00

Unified Fifty-year Four-per-cent Gold Mortgage Bonds, 8,784,000 00

Memphis, Clarksville & Louisville First Mortgage Bonds, 2,015,660 00

Memphis & Ohio Railroad First Mortgage Bonds, 3,500,000 00

New Orleans, Mobile & Texas Division First Mortgage Bonds, 5,000,000 00

New Orleans, Mobile & Texas Division Second Mortgage Bonds, 1,000,000 00

Pensacola Division First Mortgage Bonds, 580,000 00

Pensacola & Atlantic Railroad First Mortgage Bonds, 3,000,000 00

Cecilia Branch First Mortgage Bonds, 826,000 00

Evansville, Henderson & Nashville Division First Mortgage Bonds, 2,271,000 00

Louisville & Nashville and Mobile & Montgomery Trust Deed Bonds, 2,677,000 00

Southeast and St. Louis Division First Mortgage Bonds, 3,500,000 00

Southeast and St. Louis Division Second Mortgage Bonds, 3,000,000 00

Lebanon-Knoxville Branch Mortgage Bonds, 1,500,000 00

Pensacola & Selma Division First Mortgage Bonds, 1,248,000 00

Louisville, Cincinnati & Lexington Railway First Mortgage Bonds, 2,850,000 00

Louisville, Cincinnati & Lexington Railway Second Mortgage Bonds, 892,000 00

Louisville, Cincinnati & Lexington Railway General Mortgage Bonds, 3,258,000 00

City of Louisville, Lebanon Branch Extension Bonds, 333,000 00

First Mortgage Five-per-cent Fifty-year Gold Bonds, 1,764,000 00

Five-per-cent Collateral Trust Gold Bonds, 5,129,000 00

\$76,355,660 00

DEDUCT—Bonds included in the foregoing deposited with Central Trust Company of New York to secure \$4,531,000 Ten-forty Adjustment Bonds and Unified Fifty-year Four-per-cent Gold Mortgage Bonds, viz:

Lebanon-Knoxville Branch Bonds, \$1,500,000 00

Louisville & Nashville and Mobile & Montgomery Trust Deed Bonds, 2,677,000 00

Pensacola & Selma Division First Mortgage Bonds, 898,000 00

Louisville, Cincinnati & Lexington General Mortgage Bonds, 3,208,000 00

Pensacola & Atlantic First Mortgage Bonds, 1,000,000 00

\$9,283,000 00

Bonds included in the foregoing deposited with the Farmers Loan and Trust Company, of New York, Trustee, as Collateral for Georgia Railroad Lease, viz:

Pensacola & Selma Division First Mortgage Bonds, 350,000 00

9,633,000 00

66,722,660 00

Carried forward, \$114,722,660 00

TABLE No. III.
GENERAL BALANCE SHEET, JUNE 30, 1891.

<i>Dr.</i>	<i>Assets.</i>
COST OF ROAD AND EQUIPMENT.	
Road fixtures and equipment,	\$88,157,236 96
Real estate, quarry and timber lands,	654,693 24
BONDS OWNED—	INVESTMENTS.
Ten-forty Adjustment Bonds,	\$519,275 00
Unified Fifty-year Four-per-cent Gold Mortgage Bonds,	2,536,000 00
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds,	50,000 00
Sloss Iron and Steel Co. First Mortgage Bonds,	44,193 25
Eureka Company First Mortgage Bonds,	29,000 00
Elkton & Guthrie Railroad First Mortgage Bonds,	25,000 00
Pensacola & Atlantic Railroad Land Grant,	906,000 00
Louisville & Nashville and Mobile & Montgomery Railway Trust Deed Bonds,	267,000 00
Nashville Iron, Steel, and Charcoal First Mortgage Bonds,	25,000 00
Five-per-cent First Mortgage Collateral Trust Gold Bonds,	316,476 81
Sundry Railroads and other Bonds,	33,140 94
	4,751,086 00
STOCKS OWNED—	
Nashville & Decatur Railroad,	\$787,709 87
Owensboro & Nashville Railway,	15,214 28
Nashville, Florence & Sheffield Railway,	600 00
Birmingham Mineral Railroad,	159,250 00
Elkton & Guthrie Railroad,	15,175 00
Louisville, New Albany & Chicago Railway,	66,000 00
Mobile & Montgomery Railway Company,	10,543 20
South & North Alabama Railroad Company,	15,183 56
Birmingham Rolling Mill Company,	34,600 00
Kentucky Central Railway Company,	3,498,783 90
Export Coal Company of Pensacola,	75,000 00
Sundry Railroads, and other stocks,	43,827 88
	4,721,887 69
MATERIAL AND SUPPLIES—IN SHOPS AND ON LINE OF ROAD,	1,482,594 79
TRUST ACCOUNTS.	
STOCKS AND BONDS HELD IN TRUST BY THE CENTRAL TRUST COMPANY OF NEW YORK, TRUSTEE FOR TEN-FORTY ADJUSTMENT BONDS AND UNIFIED FIFTY-YEAR FOUR- PER-CENT GOLD MORTGAGE BONDS, VIZ—	
Louisville & Nashville Lebanon-Knoxville Branch Bonds,	\$1,500,000 00
Louisville & Nashville Pensacola & Selma Division Bonds,	898,000 00
Louisville & Nashville Mobile & Montgomery Division Bonds,	2,677,000 00
Louisville & Nashville Louisville, Cincinnati & Lexington Railroad Company's Bonds,	3,208,000 00
Pensacola & Atlantic Railroad Bonds,	900,000 00
Alabama Mineral Railroad Bonds,	1,650,000 00
Stock in Louisville, Cincinnati & Lexington Railway Company,	3,070,959 75
Stock in South & North Alabama Railroad Company,	1,125,500 69
Stock in Mobile & Montgomery Railway Company,	3,272,906 12
Stock in New Orleans, Mobile & Texas Railroad Company, . . . . .	. . . . .
Stock in Southeast & St. Louis Railway Company,	294,000 00
Stock in Pontchartrain Railroad Company,	4,632 37
Stock in Nashville, Chattanooga & St. Louis Railway Company,	4,032,288 75
Stock in Owensboro & Nashville Railway Company,	250,728 48
Stock in Henderson Bridge Company,	501,000 00
Stock in Pensacola Railroad Company,	2,850 00
Stock in Louisville Railway Transfer Company,	38,777 95
Stock in Birmingham Mineral Railroad Company,	690,410 00
Stock in Alabama Mineral Railroad Company,	225,000 00
Stock in Nashville, Florence & Sheffield Railway Company,	60,100 00
Stock in Henderson Belt Railroad Company,	19,750 00
Carried forward,	\$24,421,904 11 \$99,767,498 68

TABLE No. III.
GENERAL BALANCE SHEET, JUNE 30, 1891.

Liabilities.

Cr.

CAPITAL STOCK.

Stock issued, \$47,893,820 00

CAPITAL STOCK LIABILITY.

Original stock and subsequent dividends unissued, \$85,186 80

Scrip issued on stock dividends, 20,993 20

106,180 00

Total capital stock and stock liability, \$48,000,000 00

BONDED DEBT.

General Mortgage Bonds, \$11,626,000 00

Six-per-cent Collateral Trust Bonds, 1,000 00

Consolidated Mortgage Bonds, 7,070,000 00

Ten-forty Adjustment Bonds, 4,531,000 00

Unified Fifty-year Four-per-cent Gold Mortgage Bonds, 8,784,000 00

Memphis, Clarksville & Louisville First Mortgage Bonds, 2,015,660 00

Memphis & Ohio Railroad First Mortgage Bonds, 3,500,000 00

New Orleans, Mobile & Texas Division First Mortgage Bonds, 5,000,000 00

New Orleans, Mobile & Texas Division Second Mortgage Bonds, 1,000,000 00

Pensacola Division First Mortgage Bonds, 580,000 00

Pensacola & Atlantic Railroad First Mortgage Bonds, 3,000,000 00

Cecilia Branch First Mortgage Bonds, 826,000 00

Evansville, Henderson & Nashville Division First Mortgage Bonds, 2,271,000 00

Louisville & Nashville and Mobile & Montgomery Trust Deed Bonds, 2,677,000 00

Southeast and St. Louis Division First Mortgage Bonds, 3,500,000 00

Southeast and St. Louis Division Second Mortgage Bonds, 3,000,000 00

Lebanon-Knoxville Branch Mortgage Bonds, 1,500,000 00

Pensacola & Selma Division First Mortgage Bonds, 1,248,000 00

Louisville, Cincinnati & Lexington Railway First Mortgage Bonds, 2,850,000 00

Louisville, Cincinnati & Lexington Railway Second Mortgage Bonds, 892,000 00

Louisville, Cincinnati & Lexington Railway General Mortgage Bonds, 3,258,000 00

City of Louisville, Lebanon Branch Extension Bonds, 333,000 00

First Mortgage Five-per-cent Fifty-year Gold Bonds, 1,764,000 00

Five-per-cent Collateral Trust Gold Bonds, 5,129,000 00

\$76,355,660 00

DEDUCT—Bonds included in the foregoing deposited with Central Trust Company of New York to secure \$4,531,000 Ten-forty Adjustment Bonds and Unified Fifty-year Four-per-cent Gold Mortgage Bonds, viz:

Lebanon-Knoxville Branch Bonds, \$1,500,000 00

Louisville & Nashville and Mobile & Montgomery Trust Deed Bonds, 2,677,000 00

Pensacola & Selma Division First Mortgage Bonds, 898,000 00

Louisville, Cincinnati & Lexington General Mortgage Bonds, 3,208,000 00

Pensacola & Atlantic First Mortgage Bonds, 1,000,000 00

\$9,283,000 00

Bonds included in the foregoing deposited with the Farmers Loan and Trust Company, of New York, Trustee, as Collateral for Georgia Railroad Lease, viz:

Pensacola & Selma Division First Mortgage Bonds, 350,000 00

9,633,000 00

66,722,660 00

Carried forward, \$114,722,660 00

Dr.

GENERAL BALANCE SHEET, JUNE 30, 1891.

Brought forward,	\$24,421,904 11	\$99,767,498 68
DEDUCT—Cost of Lou., Cin. & Lex. Railway Stock, which having been added to Cost of Road is hereby deducted from this account, . .	\$3,070,959 75	
Cost of Alabama Mineral Railroad Bonds and Stock, which having been added to Cost of Road is hereby deducted from this account, . .	1,325,000 00	
Bonds included in Bonded Debt deposited with Central Trust Company of New York to secure \$4,531,000 Ten-forty Adjustment Bonds and Unified Fifty-year Four-per-cent Gold Mortgage Bonds, which having been deducted from the Liabilities (Bonded Debt), is therefore deducted from this account, viz:		
Lebanon-Knoxville Branch Bonds,	\$1,500,000 00	
Mobile & Montgomery Division,	2,677,000 00	
Pensacola & Selma Division,	898,000 00	
Lou., Cin. & Lex. Railway General Mortgage Bonds, . .	3,208,000 00	
Pensacola & Atlantic First Mortgage Bonds,	1,000,000 00	
	9,283,000 00	
Bonds included in Bonded Debt deposited with the Farmers Loan and Trust Company of New York, Trustee, as collateral for Georgia Railroad Lease, which having been deducted from the Liabilities (Bonded Debt), is therefore deducted from this account, Pensacola & Selma Division,	350,000 00	
	14,028,959 75	10,392,944 36
BONDS HELD IN TRUST BY FARMERS LOAN AND TRUST COMPANY OF NEW YORK, TRUSTEE FOR FIVE-PER-CENT TRUST BONDS—		
Birmingham Mineral Railroad First Mortgage Bonds,	\$3,929,000 00	
Owensboro & Nashville Railway First Mortgage Bonds,	1,200,000 00	5,129,000 00
BONDS HELD IN TRUST BY FARMERS LOAN AND TRUST COMPANY OF NEW YORK, TRUSTEE FOR GEORGIA RAILROAD LEASE—		
South & North Alabama Five-per-cent Consols Bonds,	\$250,000 00	
Louisville & Nashville, Pensacola & Selma Division Bonds,	350,000 00	600,000 00
BONDS AND CASH HELD BY TRUSTEES OF SINKING FUNDS—		
Trustees Louisville, Cincinnati & Lexington Railway Sinking Fund,	\$50,000 00	
Union Trust Company, New York, Trustee Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds (invested),	89,105 91	
Union Trust Company, New York, Trustee Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds (uninvested),	579 08	
Union Trust Company, New York, to redeem called Bonds of Cecilia Branch,	26,000 00	
Trustees Memphis, Clarksville & Louisville Railroad (invested),	300,197 95	
Trustees Memphis, Clarksville & Louisville Railroad (uninvested),	552 05	466,434 99
LOUISVILLE & NASHVILLE AND SOUTH & NORTH ALA. R. R. TRUST DEED SINKING FUND BONDS REDEEMED,		40,000 00
ADVANCES.		
Nashville & Decatur Railroad Company,	\$901,026 85	
South & North Alabama Railroad Company,	333,381 94	
Mobile & Montgomery Railway Company,	312,503 44	
Northern Division Cumberland & Ohio Railroad Company,	197,334 43	
Southern Division Cumberland & Ohio Railroad Company,	91,039 87	
Elkton & Guthrie Railroad Company,	1,034 14	
Nashville, Florence & Sheffield Railway Company,	131,405 52	
Nashville, Florence & Sheffield Railway Contract Account,	149,243 71	
New and Old Decatur Belt and Terminal Railroad,	47,077 08	
Kentucky Central Railway Company,	64,278 73	
Clarksville Mineral Branch,	352,625 36	
Louisville Railway Transfer Company,	7,880 09	2,588,831 16
CURRENT ASSETS.		
Due from Station Agents,	\$585,884 31	
Net Traffic balances due from other Companies,	2,528 79	
Due from Adams and Southern Express Companies,	40,520 66	
Due from United States Government, Post-office Department,	124,042 00	
Due from sundry railroads and persons,	1,097,904 00	
Bills Receivable—Land Notes,	108,049 99	
Bills Receivable—Other Notes,	1,436,971 47	
Cash,		3,395,901 22
		924,348 92
Total,		\$123,304,959 33

GENERAL BALANCE SHEET, JUNE 30, 1891.

Cr.

Brought forward, \$114,722,660 00

CURRENT LIABILITIES.

Bills Payable,		\$3,294,574 05	
Pay Rolls for June, 1891, payable in July,	\$837,801 21		
Vouchers for June, 1891, payable in July,	568,780 31		
Unclaimed on Pay Rolls,	169,450 13		
Unclaimed on Vouchers,	201,048 75		
		1,777,080 40	
Interest on Bonds, due July 1 and August 1,	702,026 17		
Unpresented Coupons,	107,888 00		
		809,914 17	
Dividends unclaimed,	37,501 48		
Cash Dividend No. 34, payable August 1, 1891,	1,200,000 00		
		1,237,501 48	
Due Sundry Railroads and Persons,		756,068 76	
			7,875,138 86
INCOME ACCOUNT—Surplus from Operations for year ended June 30, 1891,			656,226 41
PROFIT AND LOSS ACCOUNT,			50,934 06

Total, \$123,304,959 33

TABLE No. IV.

BONDED DEBT, JUNE 30, 1891.

DESCRIPTION.	Amount.	Maturity.	Rate of Interest.	Coupons Due.	Amount of Interest.
City of Louisville, account Lebanon Branch Extension,	\$333,000	October 15, 1893.	6	April 15, October 15.	\$19,980
Ten-forty Adjustment Bonds,	4,531,000	November 1, 1894.	6	May 1, November 1.	271,860
Louisville, Cincinnati & Lexington Railway First Mortgage, . .	2,850,000	January 1, 1897.	7	January 1, July 1.	199,500
Consolidated Mortgages, Main Stem and Branches,	7,070,000	April 1, 1898.	7	April 1, October 1.	494,900
Memphis & Ohio Railroad Sterling Mortgage Bonds,	3,500,000	June 1, 1901.	7	June 1, December 1.	248,784
Memphis, Clarksville & Louisville R. R. Sterling Mortgage Bonds,	2,015,660	August 1, 1902.	6	February 1, August 1.	121,540
a-Cecilia Branch Mortgage Bonds,	826,000	March 1, 1907.	7	March 1, September 1.	56,875
Louisville, Cincinnati & Lexington Second Mortgage Bonds, . .	892,000	October 1, 1907.	7	April 1, October 1.	62,440
b-Evansville, Henderson & Nashville First Mortgage Bonds, . . .	2,271,000	December 1, 1919.	6	June 1, December 1.	135,300
Pensacola Division First Mortgage Bonds,	580,000	March 1, 1920.	6	March 1, September 1.	34,800
South-East & St. Louis Division First Mortgage Bonds,	3,500,000	March 1, 1921.	6	March 1, September 1.	210,000
Six-per-cent Collateral Trust Bonds,	1,000	Called May 1, 1890.	6	Int. ceased May 1, 1890.	. . . . .
New Orleans & Mobile Division First Mortgage Bonds,	5,000,000	January 1, 1930.	6	January 1, July 1.	300,000
New Orleans & Mobile Division Second Mortgage Bonds,	1,000,000	January 1, 1930.	6	January 1, July 1.	60,000
c-General Mortgage Bonds,	11,626,000	June 1, 1930.	6	June 1, December 1.	693,780
Louisville, Cincinnati & Lexington R'y General Mortgage Bonds,	50,000	November 1, 1931.	6	May 1, November 1.	3,000
First Mortgage, Five-per-cent Trust Bonds,	5,129,000	November 1, 1931.	5	May 1, November 1.	256,450
First Mortgage, Five-per-cent Fifty-year Gold Bonds,	1,764,000	May 1, 1937.	5	May 1, November 1.	88,200
South-East & St. Louis Division Second Mortgage Bonds, . . .	3,000,000	March 1, 1980.	3	March 1, September 1.	90,000
Unified Fifty-year Four-per-cent Gold Mortgage Bonds,	8,784,000	June 2, 1940.	4	January 1, July 1.	351,360
Pensacola & Atlantic Railroad First Mortgage Bonds,	2,000,000	August 1, 1921.	6	February 1, August 1.	120,000
	\$66,722,660				\$3,818,769

a \$1,000 of these bonds drawn for Sinking Fund, due March 1, 1890, but not presented for redemption. Interest ceased on September 1, 1890. Also \$25,000 of these bonds drawn for Sinking Fund, due March 1, 1891. Interest will cease on September 1, 1891.

b \$1,000 of these bonds drawn for Sinking Fund, due December 1, 1889, but not presented for redemption. Interest ceased on December 1, 1889.

c \$1,000 of these bonds drawn for Sinking Fund, due June 1, 1889, but not presented for redemption. Interest ceased June 1, 1889. Also \$1,000 drawn for Sinking Fund, due June 1, 1890, but not presented for redemption. Interest ceased June 1, 1890. And also \$61,000 of these bonds drawn for Sinking Fund, due June 1, 1891, but not presented for redemption. Interest ceased June 1, 1891.

TABLE No. V.

SECURITIES, JUNE 30, 1891.

The following is a statement of the securities owned by the Company:

BONDS.

531 10-40 Adjustment Bonds, \$1,000 each,	\$531,000 00	
2,536 Unified Fifty-year Four-per-cent Gold Mortgage Bonds, \$1,000 each,	2,536,000 00	
50 Louisville, Cincinnati & Lexington Division General Mortgage Bonds, \$1,000 each,	50,000 00	
43 Sloss Iron and Steel Company First Mortgage Bonds, \$1,000 each,	43,000 00	
29 Eureka Company First Mortgage Bonds, \$1,000 each,	29,000 00	
50 Elkton & Guthrie Railroad Bonds, \$500 each,	25,000 00	
906 Pensacola & Atlantic Railroad Land Grant Bonds, \$1,000 each,	906,000 00	
267 Louisville & Nashville and Mobile & Montgomery Trust Deed Mortgage Bonds, \$1,000 each,	267,000 00	
25 Nashville Iron, Steel, and Charcoal Company's First Mortgage Bonds, \$1,000 each,	25,000 00	
318 Five-per-cent First Mortgage Collateral Trust Gold Bonds, \$1,000 each,	318,000 00	
Sundry Railroads and other Bonds,	33,140 94	
		\$4,763,140 94

STOCKS.

32,172 Shares Nashville & Decatur Railroad Company Stock, \$25 each,	\$804,300 00	
613 Shares Owensboro & Nashville Railway Company Stock, \$100 each,	61,300 00	
6 Shares Nashville, Florence & Sheffield Railway Company Stock, \$100 each,	600 00	
4,550 Shares Birmingham Mineral Railroad Company Stock, \$100 each,	455,000 00	
691 Shares Elkton & Guthrie Railroad Company Stock, \$25 each,	17,275 00	
3,000 Shares Louisville, New Albany & Chicago Railway Company Stock, \$100 each,	300,000 00	
111 Shares Mobile & Montgomery Railway Company Stock, \$100 each,	11,100 00	
148 Shares South & North Alabama Railroad Company Stock, \$100 each,	14,800 00	
346 Shares Birmingham Rolling Mill Company Stock, \$100 each,	34,600 00	
69,064 Shares Kentucky Central Railway Company Stock, \$100 each,	6,906,400 00	
750 Shares Export Coal Company of Pensacola Stock, \$100 each,	75,000 00	
Sundry Railroads and other Stocks,	51,707 97	
Bills Receivable, Land Notes, etc.,	1,545,021 46	
		10,277,104 43

Total Bonds, Stocks, and Bills Receivable, \$15,040,245 37

In addition to the foregoing securities the Company also owns the following bonds and stocks which are deposited with the Central Trust Company of New York, Trustee, to secure the Louisville & Nashville 10-40 Adjustment Bonds, and the Unified Fifty-year Four-per-cent Gold Mortgage Bonds, viz.:

BONDS.

1,500 Louisville & Nashville Lebanon-Knoxville Branch Bonds, \$1,000 each,	\$1,500,000 00	
898 Louisville & Nashville Pensacola & Selma Division Bonds, \$1,000 each,	898,000 00	
2,677 Louisville & Nashville Mobile & Montgomery Division Bonds, \$1,000 each,	2,677,000 00	
3,208 Louisville & Nashville Louisville, Cincinnati & Lexington R. R. Co. Bonds, \$1,000 each,	3,208,000 00	
1,000 Pensacola & Atlantic Railroad Company Bonds, \$1,000 each,	1,000,000 00	
16 Alabama Mineral Railroad Company Bonds, \$100,000 each,	1,600,000 00	
50 Alabama Mineral Railroad Company Bonds, \$1,000 each,	50,000 00	
		\$10,933,000 00

STOCKS.

15,000 Shares Louisville, Cincinnati & Lexington Railway Company preferred, \$100 each,	\$1,500,000 00	
10,000 Shares Louisville, Cincinnati & Lexington Railway Company common, \$100 each,	1,000,000 00	
20,000 Shares South & North Alabama Railroad Company preferred, \$100 each,	2,000,000 00	
Carried forward,	\$4,500,000 00	

<i>Brought forward</i> ,	\$4,500,000 00	\$10,933,000 00
11,274 Shares South & North Alabama Railroad Company common, \$100 each,	1,127,400 00	
29,397 Shares Mobile & Montgomery Railway Company, \$100 each,	2,939,700 00	
40,000 Shares New Orleans, Mobile & Texas Railroad Company, as re-organized, \$100 each, .	4,000,000 00	
9,800 Shares Southeast & St. Louis Railway Company, \$100 each,	980,000 00	
7,400 Shares Pontchartrain Railroad Company, \$100 each,	740,000 00	
33,850 Shares Nashville, Chattanooga & St. Louis Railway Company, \$100 each,	3,385,000 00	
9,634 Shares Owensboro & Nashville Railway Company, \$100 each,	963,400 00	
5,010 Shares Henderson Bridge Company, \$100 each,	501,000 00	
2,850 Shares Pensacola Railroad Company, \$100 each,	285,000 00	
1,000 Shares Louisville Railway Transfer Company, \$100 each,	100,000 00	
19,726 Shares Birmingham Mineral Railroad Company, \$100 each,	1,972,600 00	
13,690 Shares Alabama Mineral Railroad Company, \$100 each,	1,369,000 00	
5,650 Shares Nashville, Florence & Sheffield Railway Company, \$100 each,	565,000 00	
395 Shares Henderson Belt Railroad Company, \$50 each,	19,750 00	
		<u>23,447,850 00</u>
Total,		\$34,380,850 00

The Company also owns \$2,000,000 South & North Alabama Railroad Company Second Mortgage Bonds, which have been deposited with the Union Trust Company, of New York City, to secure the Louisville & Nashville Railroad Company \$2,000,000 six-per-cent Sinking Fund loan of April 1, 1880. \$40,000 of these bonds, through the operation of the Sinking Fund of said Louisville & Nashville loan, have been redeemed and canceled, thus reducing the amount to \$1,960,000; and the Trustee holds \$21,000 of the same bonds for this Sinking Fund, which have not been canceled. Being unable to buy this issue of bonds to advantage the Trustee bought \$66,000 Louisville & Nashville five-per-cent Trust Bonds for this Sinking Fund.

The Company also owns \$1,200,000 Owensboro & Nashville Railway Company First Mortgage six-per-cent Bonds, and \$3,929,000 Birmingham Mineral Railroad Company First Mortgage five-per-cent Bonds, which have been deposited with the Farmers Loan and Trust Company to secure the issue of \$5,129,000 Louisville & Nashville five-per-cent Trust Bonds.

The Company also owns \$250,000 South & North Alabama Railroad Company five-per-cent Consolidated Mortgage Bonds, and \$350,000 Louisville & Nashville Pensacola & Selma Division Bonds, which are deposited with the Farmers Loan and Trust Company as collateral for Georgia Railroad lease.

TABLE No. VI.
GROSS EARNINGS, OPERATING EXPENSES, AND NET, BY MONTHS.

[Average for year, 2,250.32 miles.]

MONTHS.	Freight.	Passenger.	Mail.	Express.	Miscellaneous.	Total Earnings.	Operating Expenses.	Net Earnings.	P'ct. of Exps. to Earnings.	MONTHS.
July, . . . 1890	\$1,005,947 37	\$429,835 60	\$36,027 25	\$31,383 43	\$41,988 57	\$1,545,182 22	\$1,007,305 76	\$537,876 46	65.19	July, . . . 1890
August, . . . "	1,174,885 52	440,749 56	35,714 97	29,696 08	25,893 64	1,706,939 77	1,035,810 95	671,128 82	60.68	August, . . . "
September, . . . "	1,143,250 29	420,141 02	33,757 23	33,998 74	34,581 07	1,665,728 35	1,052,088 64	613,639 71	63.16	September, . . . "
October, . . . "	1,247,759 34	428,441 55	35,763 62	39,822 60	37,133 16	1,788,920 27	1,057,618 75	731,301 52	59.12	October, . . . "
November, . . . "	1,199,021 44	381,965 17	36,273 67	38,146 28	20,359 51	1,675,766 07	1,061,952 07	613,814 00	63.37	November, . . . "
December, . . . "	1,113,057 79	425,622 53	33,453 08	44,757 51	34,948 17	1,651,839 08	1,025,830 41	626,008 67	62.10	December, . . . "
January, . . . 1891	1,077,865 88	399,876 68	35,977 47	32,982 91	43,811 97	1,590,514 91	1,004,656 64	585,858 27	63.16	January, . . . 1891
February, . . . "	1,043,391 03	375,718 56	36,225 06	28,827 55	45,618 86	1,529,781 06	934,548 22	595,232 84	61.09	February, . . . "
March, "	1,082,755 27	359,140 09	35,764 83	32,917 95	41,460 75	1,552,038 89	992,385 19	559,653 70	63.94	March, "
April, "	1,033,671 18	357,561 29	37,751 98	35,749 59	42,314 27	1,507,048 31	1,033,627 31	473,421 00	68.59	April, "
May, "	993,350 97	380,426 42	38,504 54	45,437 03	38,784 91	1,496,503 87	1,004,531 41	491,972 46	67.13	May, "
June, "	999,009 32	401,209 87	35,812 10	33,704 88	40,729 65	1,510,465 82	848,089 24	662,376 58	56.15	June, "
Total,	\$13,113,965 40	\$4,800,688 34	\$431,025 80	\$427,424 55	\$447,624 53	\$19,220,728 62	\$12,058,444 59	\$7,162,284 03	62.74	

TABLE No. VII.

TOTAL EARNINGS, OPERATING EXPENSES, AND NET.

Sources.	Percentage of Gross Earnings.	Gross Earnings.		Operating Expenses.	Net Earnings.
Passenger earnings,	24.976	\$4,800,688 34	\$5,678,659 45	\$3,417,684 09	\$2,260,975 36
Express earnings,	2.224	427,424 55			
Mail earnings,	2.243	431,025 80			
Train privileges, . . . . .	.102	19,520 76			
Freight earnings,	68.223		13,113,965 40	8,610,760 50	4,473,204 90
Rent of passenger cars, . . . . .	.324		62,250 75		62,250 75
Rent of freight cars, . . . . .	.612		117,696 06		117,696 06
Rent of engines, . . . . .	.946		180,986 00		180,986 00
Rents, . . . . .	.258		49,706 35		49,706 35
Car detention, storage, etc., . . . . .	.050		9,618 49		9,618 49
Wharfage and storage, Pensacola, Fla., . . . . .	.018		3,346 91		3,346 91
Bridge tolls, . . . . .	.002		306 75		306 75
Telegraph, . . . . .	.022		4,192 46		4,192 46
Grand total,	100.000		\$19,220,728 62	\$12,058,444 59	\$7,162,284 03



1891-92

FORTY-FIRST ANNUAL REPORT

OF THE

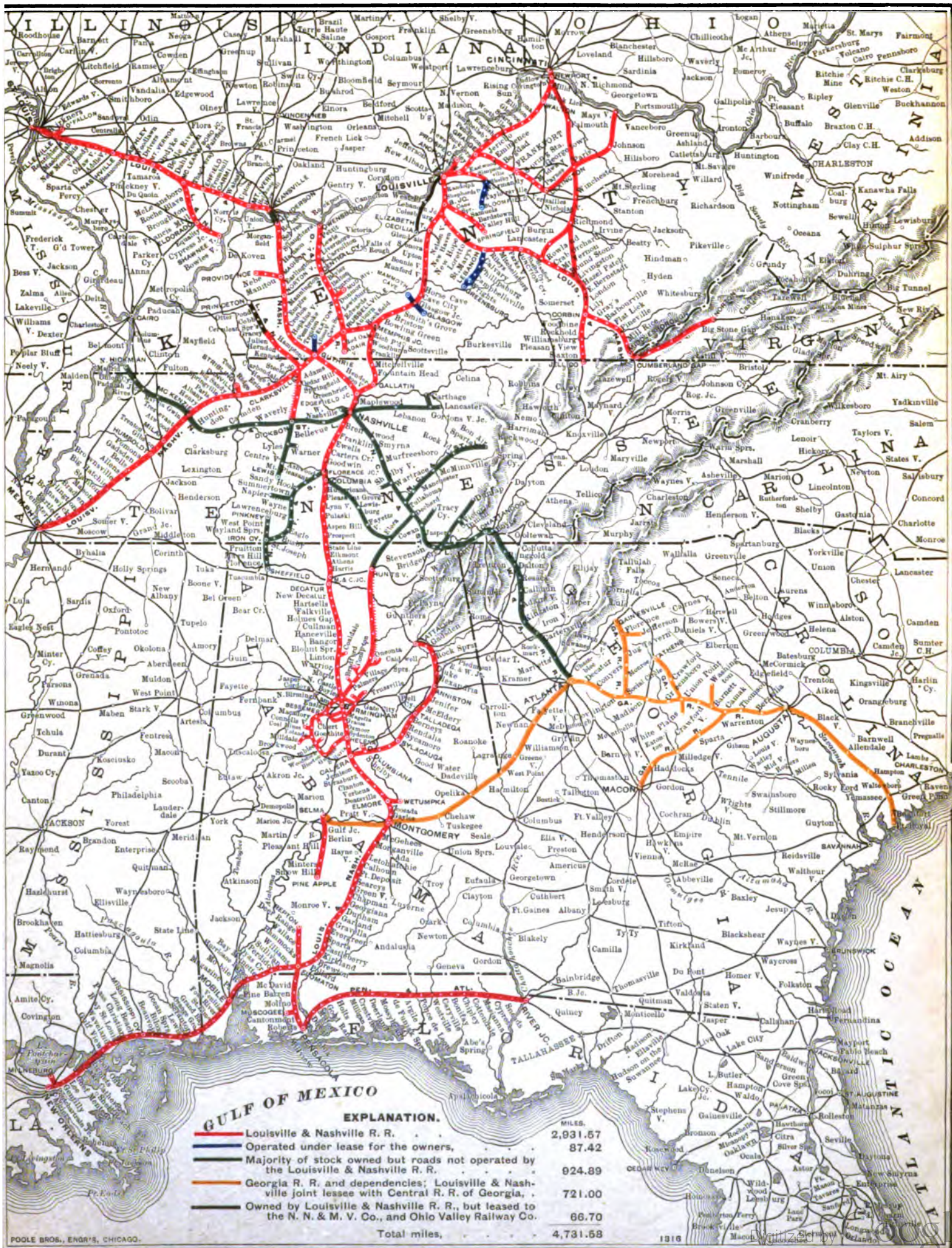
LOUISVILLE & NASHVILLE

RAILROAD COMPANY.

FISCAL YEAR ENDED JUNE 30, 1892.



MAP OF THE LOUISVILLE & NASHVILLE R. R. AND DEPENDENCIES.



FORTY-FIRST ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

LOUISVILLE & NASHVILLE

RAILROAD COMPANY

TO THE STOCKHOLDERS.

FISCAL YEAR ENDED JUNE 30, 1892.

PRESENTED AT THE MEETING HELD WEDNESDAY, OCTOBER 5, 1892.

LOUISVILLE, KY.
PRINTED BY JOHN P. MORTON AND COMPANY.
1892

DIRECTORS
OF THE
LOUISVILLE & NASHVILLE RAILROAD COMPANY
FOR THE YEAR 1892-93.

AUGUST BELMONT, New York.

J. A. HORSEY, New York.

ARNOLD MARCUS, New York.

WILLIAM MERTENS, New York.

ECKSTEIN NORTON, New York.

JOHN D. TAGGART, Louisville.

J. D. PROBST, New York.

THOMAS RUTTER, New York.

J. S. ROGERS, New York.

JACOB H. SCHIFF, New York.

EDMUND SMITH, Philadelphia.

M. H. SMITH, Louisville.

JOHN A. CARTER, Louisville.

EXECUTIVE OFFICERS.

CHAIRMAN OF THE BOARD,
AUGUST BELMONT, New York.

PRESIDENT,
M. H. SMITH, Louisville.

FIRST VICE-PRESIDENT,
STUART R. KNOTT, Louisville.

SECOND VICE-PRESIDENT,
A. M. QUARRIER, New York.

THIRD VICE-PRESIDENT,

TREASURER,
WM. W. THOMPSON, Louisville.

SECRETARY,
J. H. ELLIS, Louisville.

NEW YORK OFFICE, Equitable Building, 120 Broadway.
LOUISVILLE OFFICE, Main and Second Streets.

GENERAL OFFICERS

OF THE

LOUISVILLE & NASHVILLE RAILROAD COMPANY

OCTOBER, 1892.

J. G. METCALFE,	General Manager,	Louisville, Ky.
R. H. INGRAM,	Assistant to President,	Louisville, Ky.
RUSSELL HOUSTON,	Chief Attorney,	Louisville, Ky.
H. W. BRUCE,	Assistant Chief Attorney,	Louisville, Ky.
JOHN L. CADWALADER,	Attorney,	New York.
S. H. EDGAR,	Assistant Treasurer,	Louisville, Ky.
A. W. MORRISS,	Assistant Treasurer and Assistant Secretary,	New York.
HENRY ANTHON,	Transfer Agent,	New York.
G. W. PROCTOR,	Cashier,	Louisville, Ky.
CUSHMAN QUARRIER,	Comptroller,	Louisville, Ky.
Y. VAN DEN BERG,	Traffic Manager,	Louisville, Ky.
C. B. COMPTON,	General Freight Agent,	Louisville, Ky.
C. P. ATMORE,	General Passenger Agent,	Louisville, Ky.
P. P. HUSTON,	Purchasing Agent,	Louisville, Ky.
R. MONTFORT,	Chief Engineer,	Louisville, Ky.
PULASKI LEEDS,	Superintendent of Machinery,	Louisville, Ky.
GEORGE E. EVANS,	Superintendent of Transportation,	Louisville, Ky.
C. O. BRADFORD,	Real Estate Agent,	Louisville, Ky.

DIVISION SUPERINTENDENTS.

BRENT ARNOLD,	Superintendent Terminals,	Cincinnati, O.
LEWIS HOOD,	Superintendent Kentucky Central Division,	Cincinnati, O.
C. A. DAVIES,	Superintendent Louisville, Cincinnati & Lexington Div.,	Louisville, Ky.
E. H. BURCH,	Superintendent Terminals,	Louisville, Ky.
W. P. PIKE,	Superintendent Louisville Division,	Louisville, Ky.
J. W. LOGSDON,	Superintendent Cumberland Valley Division,	Middlesborough, Ky.
JAMES GEDDES,	Superintendent Nashville Division,	Nashville, Tenn.
W. M. NEWBOLD,	{ Superintendent South & North Alabama Railroad and Birmingham Mineral Railroad, }	Birmingham, Ala.
THOMAS K. SCOTT,	Superintendent Alabama Mineral Railroad,	Anniston, Ala.
J. I. MCKINNEY,	Superintendent Mobile & Montgomery Division,	Montgomery, Ala.
CHARLES MARSHALL,	Superintendent New Orleans & Mobile Division,	New Orleans, La.
E. O. SALTMARSH,	Superintendent Pensacola Div. and Pen. & Atlantic Div.,	Pensacola, Fla.
L. S. ROBERTSON,	Superintendent Memphis Line,	Memphis, Tenn.
B. F. DICKSON,	Superintendent Henderson and St. Louis Divisions,	Evansville, Ind.
S. DUNN,	Superintendent Clarksville & Princeton Division,	Clarksville, Tenn.
E. P. BRYAN,	Superintendent Terminals,	St. Louis, Mo.
W. S. MARTIN,	Superintendent Owensboro and Nashville Division,	Russellville, Ky.

PROCEEDINGS OF THE STOCKHOLDERS' MEETING.

The annual meeting of the stockholders of the Louisville & Nashville Railroad Company was held at the office of the Company in Louisville, Ky., at noon, on Wednesday, October 5, 1892.

On motion, Capt. Silas F. Miller was called to the chair, and J. H. Ellis appointed secretary.

The following persons, representing the stock of the Company, appeared, to wit:

Sundry persons and proxies, 366,801 shares.

The Report of the Directors to the Stockholders was submitted, and on motion of H. W. Bruce, seconded by J. G. Jarvis, it was unanimously

Resolved, That the report of the Directors to the Stockholders of this Company, and the statements of the accounts submitted therewith, for the fiscal year ended June 30, 1892, be and the same are hereby adopted, ratified, and confirmed, and that the said report and accounts be printed and circulated for the information of the stockholders.

The election of Directors following, and the persons named below having received the number of votes set opposite their respective names, as announced by the judges, to wit:

AUGUST BELMONT,	366,801 votes.
JOHN A. CARTER,	366,801 votes.
J. A. HORSEY,	366,801 votes.
A. MARCUS,	366,801 votes.
WM. MERTENS,	366,801 votes.
ECKSTEIN NORTON,	366,801 votes.
J. D. PROBST,	366,801 votes.
THOMAS RUTTER,	366,801 votes.
J. S. ROGERS,	366,801 votes.
EDMUND SMITH,	366,801 votes.
M. H. SMITH,	366,801 votes.
JACOB H. SCHIFF,	366,801 votes.
J. D. TAGGART,	366,801 votes.

they were declared elected Directors of the Louisville & Nashville Railroad Company for the ensuing year.

The meeting then adjourned *sine die*.

SILAS F. MILLER, *Chairman*.

J. H. ELLIS, *Secretary*.

FORTY-FIRST ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

LOUISVILLE & NASHVILLE RAILROAD CO.

FOR THE

FISCAL YEAR ENDED JUNE 30, 1892.

TO THE STOCKHOLDERS OF THE LOUISVILLE & NASHVILLE RAILROAD COMPANY:

The Board of Directors of the Louisville & Nashville Railroad Company respectfully submit their report for the fiscal year ended June 30, 1892, as follows:

LENGTH OF ROADS.

The length of roads operated by this Company, and of those in which it is interested, at the close of the fiscal year, June 30, 1892, is as follows:

I. OWNED ABSOLUTELY OR THROUGH THE OWNERSHIP OF THE ENTIRE CAPITAL STOCK.		Length in Miles
Main Stem—Louisville to Nashville,		185.23
Birmingham Mineral Railroad—		
North Branch—Magella to Brick-yard Y,	8.02	
Alice Branch, . . . . .	.89	
Fossil Branch, . . . . .	.63	
	9.54	
South Branch—Graces to Bessemer,	11.57	
Muscoda Branch—Sloss to Muscoda,	1.20	
	12.77	
Blue Creek Extension—Blue Creek Junction to Blocton Junction,		27.08
Dudley Branch—Yolande to Brookwood,		9.01
Pioneer Branch—Chamblee to Goethite,		3.65
Huntsville Branch—Bessemer to Oneonta,		49.30
Gurley Creek—Village Springs to Comptons,		4.05
Limestone Spur,		1.18
Self Creek—Palmer to Comptons,		4.30
Brown Ore—Spur-Oneonta to Champion,		3.50
Gate City Branch—Boyles to Trussville,		17.14
Red Gap Branch—Gate City to Graces,		10.28
Helena & Blocton—Helena (Tacoa) to Piney Woods,		10.04
		161.84
Alabama Mineral Railroad—Attalla to Shelby,	107.75	
Shelby to Calera,	11.34	
Shelby to Columbiana,	5.82	
		124.91
Carried forward,		471.98

	Length in Miles.
<i>Brought forward,</i>	471.98
Mobile & Montgomery Railway—Montgomery to Mobile,	178.49
New Orleans & Mobile Railroad—Mobile to New Orleans,	140.38
Pontchartrain Railroad—Pontchartrain Junction to Milneburg,	5.18
Bardstown Branch—Bardstown Junction to Bardstown,	17.37
Springfield Branch—Bardstown to Springfield,	20.07
Knoxville Branch—Lebanon Junction to Jellico,	171.17
Cumberland Valley Branch—Corbin to Norton,	116.38
Memphis Line—Memphis Junction to Memphis,	259.13
Owensboro & Nashville Railway—	
Owensboro to Adairville,	84.00
Mud River Branch—Penrod to Mud River Mines,	4.49
	88.49
Clarksville & Princeton Branch—Princeton Junction to Gracey,	32.00
Clarksville Mineral Branch—Hematite to Marion,	14.10
Henderson Division—Edgefield Junction to Henderson,	134.71
Madisonville Branch—Madisonville to Providence,	16.20
	150.91
St. Louis Division—Evansville to East St. Louis,	162.00
Shawneetown Branch—McLeansboro Junction to Shawneetown,	40.14
O'Fallon Branch—O'Fallon Junction to O'Fallon,	6.00
	208.14
Pensacola & Selma Division—Gulf Junction to Pineapple,	35.61
Escambia Junction to Repton,	29.36
	64.97
Pensacola Division—Flomaton to Pensacola,	44.54
Pensacola & Atlantic Railroad—Pensacola to River Junction,	160.28
Cincinnati Division—Louisville to Newport,	108.65
Lexington Branch—LaGrange to Lexington,	67.01
Louisville, Harrod's Creek & Westport Railroad—Louisville to Prospect,	11.16
Kentucky Central Railway—	
Covington to Livingston,	149.88
Maysville to Paris,	49.46
Paris Junction to Lexington,	17.94
Estill Junction to Rowland,	30.43
	247.71
II. LINES OVER WHICH THIS COMPANY RUNS ITS TRAINS, THE EARNINGS OF WHICH ACCRUE TO THIS COMPANY.	
Birmingham Mineral Railroad—Blocton to Blocton Junction,	7.91
Piney Woods to Blocton,	14.41
	22.32
III. OPERATED UNDER LEASE, EARNINGS IN EXCESS OF FIXED CHARGES ACCRUING TO THIS COMPANY.	
Nashville & Decatur Railroad—Nashville to Decatur,	119.24
Shelby Railroad—Anchorage to Shelbyville,	19.10
Railway Transfer—East Louisville to South Louisville,	4.13
	142.47
IV. OPERATED FOR ACCOUNT OF THE SOUTH & NORTH ALABAMA RAILROAD COMPANY.	
South & North Alabama Railroad—New Decatur to Montgomery,	182.37
Wetumpka Branch—Elmore to Wetumpka,	6.30
	188.67
Total Louisville & Nashville system,	2,931.57
V. OPERATED UNDER LEASE FOR ACCOUNT OF THE VARIOUS COMPANIES.	
Southern Division Cumberland & Ohio Railroad—Cumberland & Ohio Junction to Greensburg,	30.90
Northern Division Cumberland & Ohio Railroad—Shelbyville to Bloomfield,	26.72
Glasgow Railroad—Glasgow Junction to Glasgow,	10.50
Elkton & Guthrie Railroad—Elkton Junction to Elkton,	10.92
Mammoth Cave Railroad—Glasgow Junction to Mammoth Cave,	8.38
	87.42
<i>Carried forward,</i>	3,018.99

	Length in Miles.
<i>Brought forward</i> ,	3,018.99

VI. LINES IN WHICH THIS COMPANY IS INTERESTED AS OWNER OF A MAJORITY OF THE CAPITAL STOCK IN THE COMPANY THAT OPERATES THE ROAD.

Nashville, Chattanooga & St. Louis Railway,	810.00	
Nashville, Florence & Sheffield Railway—		
Columbia to Sheffield,	82.13	
West Point Branch—Iron City to Pinkney,	11.78	
Napier Branch—Summertown to Napier,	10.92	
	104.83	
Henderson Bridge and Connecting Track,	10.06	
	924.89	

VII. LINES IN WHICH THIS COMPANY IS INTERESTED AS JOINT LESSEE WITH THE CENTRAL RAILROAD COMPANY OF GEORGIA.

Georgia Railroad and Dependencies,	721.00
--	--------

VIII. LINES OWNED, BUT NOT OPERATED BY THIS COMPANY.

Cecilia Branch, Louisville to Cecilia Junction (leased to Chesapeake, Ohio & Southwestern Railway at \$60,000 per annum),	46.00	
Clarksville & Princeton Branch, from Gracey to Princeton (leased to Ohio Valley R. R. Co., at \$12,039.70 per annum),	20.70	
	66.70	
Total mileage,	4,731.58	

The earnings and expenses in this report are based on an average of 2,857.91 miles, as shown in Table No. VI. Attention is called to the tables submitted herewith for details of the year's business:

- I. Income Account, Fixed Charges, etc.
- II. Profit and Loss Account.
- III. General Balance Sheet.
- IV. Bonded Debt, in detail.
- V. Securities Owned by the Company.
- VI. Gross Earnings, Operating Expenses and Net, by months.
- VII. Gross Earnings, Operating Expenses and Net, summarized.

CAPITAL STOCK.

The charter authorizes the Company to increase its Capital Stock to an amount sufficient to represent the full cost of the road and branches in stock.

Under this authority a special meeting of the stockholders was held July 6, 1891, at which meeting authority was given to the Board of Directors to increase the Capital Stock \$7,000,000, thus increasing the Capital Stock to \$55,000,000, which sum is below the cost of the roads and branches of the Company. Of this increased stock, viz., \$7,000,000—\$4,800,000 has been issued and disposed of, leaving \$2,200,000 yet to be issued, and making the amount of Capital Stock outstanding at this date \$52,800,000.

BONDED DEBT.

The bonded debt, as per Table No. IV last year's report, was	\$66,722,660
BONDS ISSUED—	
Unified Fifty-year Four-per-cent Gold Bonds,	1,804,000
ADDITIONAL BONDED DEBT—	
Kentucky Central Railway Company First Mortgage Four-per-cent Gold Bonds,	6,523,000
Maysville & Lexington Railroad Company, Northern Division, Seven-per-cent Bonds,	400,000
Maysville & Lexington Railroad Company, Southern Division, Five-per-cent Bonds,	219,000
	7,142,000
<i>Carried forward</i> ,	\$75,668,660

<i>Brought forward,</i>		\$75,668,660
DEDUCT BONDS REDEEMED DURING THE YEAR—		
General Mortgage canceled for the Sinking Fund,	\$168,000	
Six-per-cent Collateral Trust Bond redeemed,	1,000	
Cecilia Branch Bonds canceled for the Sinking Fund,	25,000	
Evansville, Henderson & Nashville Division Bonds canceled for the Sinking Fund,	30,000	
Unified Fifty-year Four-per-cent Gold Bonds redeemed,	17,000	
Pensacola & Atlantic Railroad First Mortgage Bonds canceled for the Sinking Fund,	30,000	
		<u>271,000</u>
Outstanding June 30, 1892,		\$75,397,660
Showing an increase over last year in the bonded debt of		8,675,000

The increase in the bonded indebtedness is accounted for as follows:

Unified Fifty-year Four-per-cent Gold Bonds issued for the following purposes—		
For miscellaneous betterments, such as side tracks, station buildings, ballast, renewals of bridges, and equipment,	\$702,000	
For the purchase of Nashville, Chattanooga & St. Louis Railway Company stock,	847,000	
For bonds redeemed for Sinking Funds,	255,000	
		<u>\$1,804,000</u>
Kentucky Central Railway Company First Mortgage Four-per-cent Gold Bonds,		6,523,000
Maysville & Lexington Railroad Company, Northern Division, Seven-per-cent Bonds,		400,000
Maysville & Lexington Railroad Company, Southern Division, Five-per-cent Bonds,		219,000
		<u>\$8,946,000</u>
DEDUCT—		
Bonds redeemed during the year,		271,000
Increase,		<u>\$8,675,000</u>

(NOTE.—There remained in the treasury of the Company \$1,266,000 of the Unified Fifty-year Four-per-cent Gold Bonds issued.)

GENERAL RESULTS.

The general results from operations for the year were:

Gross Earnings,	\$21,235,721 55
Operating Expenses, 64.95 per cent,	13,792,122 47
Net Earnings from Traffic, 35.05 per cent,	\$7,443,599 08
DEDUCT CHARGES AGAINST INCOME—	
Interest, Rents, etc.,	\$4,860,878 05
Taxes,	513,184 77
	<u>5,374,062 82</u>
Net Earnings,	\$2,069,536 26
ADD—Income from Investments,	533,293 10
	<u>\$2,602,829 36</u>
DEDUCT—	
Loss on Georgia Railroad Lease,	\$124,695 02
Loss on other roads, which is a claim against them,	128,001 23
	<u>252,696 25</u>
Net Income for the year,	\$2,350,133 11
DEDUCT—	
2½-per-cent Cash Dividend declared January 7, 1892,	\$1,320,000 00
2-per-cent Cash Dividend declared July 9, 1892,	1,056,000 00
	<u>2,376,000 00</u>
Deficit,	25,866 89

The average length of roads operated was 2,857.91 miles, showing for the year as follows:

	1891-92.	1890-91.
Gross Earnings, per mile,	\$7,430 50	\$8,541 33
Operating Expenses, per mile,	4,825 94	5,358 54
Net Earnings, per mile,	\$2,604 56	\$3,182 79

The decrease *per mile of road* in Gross Earnings and Net Earnings, compared with 1890-91, is caused by including in the Louisville & Nashville System the following mileage:

Alabama Mineral Railroad,	124.91 miles.
Pensacola & Atlantic Railroad,	160.28 "
Cumberland Valley Branch,	66.50 "
Clarksville Mineral Branch,	14.10 "
Kentucky Central Railway,	247.71 "
Total,	613.50 "

Eliminate this mileage for the purpose of comparison with last year and the result is as follows:

	1891-92.	1890-91.
Gross Earnings, per mile,	\$8,481 28	\$8,541 33
Operating Expenses, per mile,	5,386 55	5,358 54
Net Earnings, per mile,	\$3,094 73	\$3,182 79

The growth of traffic is shown by the following table:

Years.	Miles Oper- ated, Average.	Gross Earnings.	Operating Expenses.	Net Earnings.	Gross Earnings per Mile.	Operating Expenses, per Mile.	Net Earnings, per Mile.	Per Cent of Expenses to Earnings.
1879-80, . . .	1,190.58	\$7,394,515 93	\$4,173,302 64	\$3,221,213 29	\$6,210 85	\$3,505 27	\$2,705 58	56.44
1880-81, . . .	1,768.86	10,812,935 85	6,631,864 37	4,181,071 48	6,112 94	3,749 23	2,363 71	61.33
1881-82, . . .	1,912.25	11,911,439 67	7,371,011 93	4,540,427 74	6,229 02	3,854 63	2,374 39	61.88
1882-83, . . .	2,014.45	13,144,714 83	8,015,737 92	5,128,976 91	6,525 21	3,979 12	2,546 09	60.98
1883-84, . . .	1,997.55	14,261,386 05	8,823,782 56	5,437,603 49	7,139 44	4,417 30	2,722 14	61.87
1884-85, . . .	1,989.21	13,847,143 86	8,104,789 56	5,742,354 30	6,961 13	4,074 38	2,886 75	58.53
1885-86, . . .	1,943.52	13,076,795 34	8,126,506 64	4,950,288 70	6,728 41	4,181 33	2,547 08	62.15
1886-87, . . .	1,943.52	14,979,992 30	8,953,502 06	6,026,490 24	7,707 66	4,606 85	3,100 81	59.77
1887-88, . . .	2,027.00	16,360,241 44	10,267,535 11	6,092,706 33	8,071 16	5,065 39	3,005 77	62.76
1888-89, . . .	2,161.64	16,599,39 624	10,326,085 57	6,273,310 67	7,679 08	4,776 97	2,902 11	62.21
1889-90, . . .	2,198.25	18,846,003 92	11,419,092 47	7,426,911 45	8,573 19	5,194 63	3,378 56	60.59
1890-91, . . .	2,250.32	19,220,728 62	12,058,444 59	7,162,284 03	8,541 33	5,358 54	3,182 79	62.74
1891-92, . . .	2,857.91	21,235,721 55	13,792,122 47	7,443,599 08	7,430 50	4,825 94	2,604 56	64.95

CONSTRUCTION ACCOUNT.

The expenditures during the year for improvements and additions to the several properties, were as follows:

CARS BUILT IN COMPANY'S SHOPS—

6 passenger cars,	\$28,192 34
1 baggage car,	2,174 40
	<u>\$30,366 74</u>

FREIGHT CARS BOUGHT—

250 fruit cars,	\$128,035 80
467 box cars,	217,144 50
	<u>345,180 30</u>

Carried forward, \$375,547 04

<i>Brought forward</i> ,		\$375,547 04
IMPROVEMENTS AT LOUISVILLE—		
Union Passenger Depot, Tenth and Broadway,	\$37,447 68	
Station and yard fence, Tenth and Broadway,	2,442 69	
Supply oil house, Tenth and Broadway,	2,280 70	
Tracks and ballast, passenger depot, Tenth and Broadway,	2,995 30	
Train shed, Tenth and Broadway,	700 13	
Water supply, passenger depot, Tenth and Broadway,	547 67	
Paving Eleventh Street,	452 10	
Platform, passenger depot, Tenth and Broadway,	130 53	
Extending track, Louisville yard,	2,688 29	
Side track, Tenth Street,	1,136 52	
Track, new yard, Oak Street,	3,346 25	
New machinery, Louisville shops,	1,017 14	
"A" Street connection,	422 08	
Undergrade, Pope Street,	5,896 69	
Improvements to Charlton Street,	334 36	
Improvement to Broadway Street and Shelby Street,	235 88	
Clerk's office, Zane Street,	235 65	
Improvements, South Louisville yards,	145 76	
New tools, East Louisville shops,	1,775 00	
Cistern, Sixth and Hill streets,	123 36	
		64,353 78
IMPROVEMENTS AT ROWLAND—		
Rowland yard tracks,		638 88
IMPROVEMENTS AT NEW DECATUR—		
New machinery, New Decatur shops,	\$1,500 00	
Underpass at Decatur,	899 98	
		2,399 98
IMPROVEMENTS AT NASHVILLE—		
Track down Front Street,	\$5,294 26	
Bumping post, College Street, Nashville,	204 60	
		5,498 86
IMPROVEMENTS AT BIRMINGHAM—		
New machinery, Birmingham shops,		550 00
IMPROVEMENTS AT MONTGOMERY—		
Round house,	\$12,733 18	
Turntable and ash pit,	3,238 65	
Water station,	1,453 19	
Sand house,	202 58	
Yard tracks,	14,489 59	
Underpass at Montgomery,	639 82	
		32,757 01
IMPROVEMENTS AT EAST ST. LOUIS—		
New tracks,	\$5,872 37	
Connection with Venice & Carondelet Railroad,	2,925 63	
		8,798 00
IMPROVEMENTS AT ST. LOUIS—		
New freight depot,	\$9,896 60	
New tracks,	4,457 77	
		14,354 37
IMPROVEMENTS AT NEW ORLEANS—		
Side tracks at Wharf,		2,501 62
IMPROVEMENTS AT MOBILE—		
New machinery, Mobile shops,		515 60
IMPROVEMENTS AT LATONIA—		
New track, Latonia yard,	\$22,403 54	
New buildings,	5,267 24	
		27,670 78
<i>Carried forward</i> ,		\$535,585 92

<i>Brought forward,</i>		\$535,585 92
IMPROVEMENTS AT COVINGTON—		
Engine house and ash pits,	\$3,013 61	
Rearrangement of tracks,	580 51	
Operator's house, South Covington tunnel,	586 69	
		4,180 81
IMPROVEMENTS AT MIDDLESBOROUGH—		
New yard tracks,	\$1,244 78	
Track scales,	637 54	
		1,882 32
IMPROVEMENTS AT CORBIN—		
Tracks,	\$15,374 13	
Depots,	2,018 02	
Engine houses, etc.,	7,805 98	
Coal bins and sand house,	1,437 86	
Water station,	3,334 77	
New,	1,911 00	
		31,881 76
Bridges,		66,398 61
Ballast,		99,376 17
BUILDINGS—Depots and platforms,		
	\$15,553 07	
Section houses,	4,694 92	
Water stations,	4,760 22	
Tool and watch houses,	844 79	
Shops, turntable, etc.,	1,497 74	
		27,350 74
Side tracks on line,		13,193 26
Filling Trestles,		16,041 16
Widening embankments,		500 73
Difference in weight of new steel rail on main lines, replacing lighter rail,	\$75,870 08	
Difference in weight of second-hand steel rail on L., H. C. & W. Railroad, replacing lighter rail,	1,209 08	
		77,079 16
TELEGRAPH LINE—		
Covington and Wilders, via Milldale,		99 59
Real estate bought,		39,236 83
Culverts and cattle guards,		1,153 58
Fencing on line,		4,829 84
Right of way,		12,553 49
WATER SUPPLY—		
McKenzie,	\$1,233 68	
Mannington,	2,226 37	
		3,460 05
SECOND TRACKS—		
East Louisville to Anchorage,	\$1,269 92	
South Louisville to Shepherdsville,	41 00	
		1,310 92
TUNNELS—Lesters, on Nashville & Decatur Division,		
	\$303 85	
Eagle tunnel approach, Cincinnati Division,	861 57	
Hog Run tunnel, Cincinnati Division,	13 85	
		1,179 27
TRACK SCALE—Taco,		
	\$1,072 73	
Madisonville,	479 37	
		1,552 10
Coal bins—Lebanon Junction		15,255 72
"Y" at Pittsburg, Knoxville Division,		1,138 26
Fill at English on Cincinnati Division,		2,131 87
Surfacing ditching on Cincinnati Division,		1,044 55
Change of line on Cincinnati Division,		773 23
Connection with Raleigh Springs Railroad,		394 87
Relaying track, with new steel, between Princeton and Gracey, Clarksville & Princeton Branch,		19,947 13
Open waterway—Paris & Maysville Branch,		1,815 02
Undergrade crossing, Paris & Maysville Branch,		565 86
<i>Carried forward,</i>		\$981,912 82

<i>Brought forward,</i>		\$981,912 82
Incline at Scranton,		814 17
Oil storage tank, West Pascagoula,		2,130 24
Raising grade in marsh, New Orleans Division,		31,115 55
Livingston yard tracks,		10,171 12
Overhead bridge—Henderson Division,		150 15
Safety gates—Evansville,		221 98
Automatic signals—Wabash bridge,		286 26
Legal expenses—Cumberland Valley Branch,	\$2,670 00	
Legal expenses—Alabama Mineral Railroad,	750 00	
		3,420 00
Engineering expenses—Cumberland Valley Branch,	\$698 69	
Engineering expenses—Alabama Mineral Railroad,	17 50	
		716 19
Graduation—Cumberland Valley Branch,	\$171 13	
Graduation—Alabama Mineral Railroad,	788 00	
		959 13
Change in public road—Alabama Mineral Railroad,		390 59
Change in public road—Cumberland Valley Branch,		456 85
Difference in value of ties—Alabama Mineral Railroad,		176 10
Whistle posts, etc., Alabama Mineral Railroad,		274 11
Whistle posts, etc., Cumberland Valley Branch,		111 02
Street at Rose Hill—Cumberland Valley Branch,		100 00
Sundries—Depot scales, etc.,		183 33
Total,		\$1,033,589 61
Deduct—		
Louisville, Harrod's Creek & Westport Railroad locomotives sold,	\$2,166 91	
Side tracks taken up,	2,987 91	
Second track, Shepherdsville to Lebanon Junction,	6,721 64	
Second track, Edgfield Junction to East Nashville,	346 20	
Machinery, Howell shops,	650 00	
Arch culvert, mile No. 50, Cincinnati Division,	398 00	
Material left over from construction, Cumberland Valley Branch:		
Rails,	4,114 97	
Cross ties,	6,415 41	
Frogs and switches,	1,310 62	
Fastenings,	785 02	
		25,896 68
Total,		\$1,007,692 93

COST OF ROAD AND EQUIPMENT.

The cost of road has been charged with the amount expended on Construction Account, the cost of the Kentucky Central Railway, the Clarksville Mineral Branch (under construction, not completed) and also the discount on \$3,057,000 Unified Fifty-year Four-per-cent Gold Bonds, and \$4,800,000 of the Capital Stock,

Making the total addition to the cost of the road during the year,	\$14,836,169 38
Which added to the cost of road June 30, 1891,	88,157,236 96
Total cost to June 30, 1892, as per table No. III,	\$102,993,406 34

STEEL AND IRON RAILS.

At the close of the fiscal year ended June 30, 1891, there were in the tracks:

Steel rails,	*2,120.39
Iron rails,	174.11
<i>Carried forward,</i>	2,294.50 miles.

* Includes 66.50 miles new steel laid on Cumberland Valley Branch, in 1890-91, not included on page 13 of Annual Report 1890-91 as additions during the year on new tracks.

Brought forward, 2,294.50 miles.

There have been added during the year on new tracks:

Clarksville Mineral Branch, steel, 14.10 miles.

There have been added to the Louisville & Nashville System:

Pensacola & Atlantic Railroad, steel,	160.28	
Kentucky Central Railway and Branches, steel,	243.54	
Iron,	4.17	
	<u>247.71</u>	
Alabama Mineral Railroad, steel,	119.68	
Iron,	5.23	
	<u>124.91</u>	
		532.90 miles.
Total,		2,841.50 miles.

During the past fiscal year several of the divisions were remeasured, which resulted in a net decrease of .04 of a mile,

Which is to be deducted from the foregoing mileage,04 miles.

Total, 2,841.46 miles.

During the year there were 126.13 miles of track relaid with new steel rails, to replace old steel, and 8.60 miles to replace old iron rails, at a cost of \$216,186.86.

Of this amount \$125,234.03 has been charged to Operating Expenses, and \$90,952.83 to Construction Account, for difference in weight of rails which were replaced by heavier rails.

.18 mile of old steel from main lines was used to replace old iron on Pontchartrain Railroad.

There are in track, therefore, on June 30, 1892:

Steel rails,	2,680.46
Iron rails,	161.00
Total,	2,841.46 miles.

Of the new steel laid, 36.35 miles is of the 58¼ lb. pattern, and 98.38 miles, of the 70 lb. pattern.

INTEREST CHARGES FOR 1892-93.

The interest charges against Income Account for the fiscal year 1892-93 are estimated as follows:

	Bonds Outstanding.	Amount of Interest.
Consolidated Mortgage Bonds,	\$7,070,000	\$494,900
City of Louisville, Lebanon Branch Extension Bonds,	333,000	19,980
General Mortgage Bonds,	11,458,000	682,860
Memphis & Ohio Railroad Sterling Mortgage Bonds,	3,500,000	248,784
Memphis, Clarksville & Louisville Railroad Sterling Mortgage Bonds,	2,015,660	121,540
Cecilia Branch First Mortgage Bonds,	801,000	54,600
Evansville, Henderson & Nashville Division First Mortgage Bonds,	2,241,000	133,500
Pensacola Division First Mortgage Bonds,	580,000	34,800
Lebanon-Knoxville Branch Bonds,	1,500,000	90,000
Southeast & St. Louis Division First Mortgage Bonds,	3,500,000	210,000
Southeast & St. Louis Division Second Mortgage Bonds,	3,000,000	90,000
Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds,	1,960,000	117,600
Louisville & Nashville and Mobile & Montgomery Railway Trust Deed Bonds,	2,677,000	160,620
New Orleans & Mobile Division First Mortgage Bonds,	5,000,000	300,000
New Orleans & Mobile Division Second Mortgage Bonds,	1,000,000	60,000
Ten-forty Adjustment Bonds,	4,531,000	271,860
Louisville, Cincinnati & Lexington Railway First Mortgage Bonds,	2,850,000	199,500
Louisville, Cincinnati & Lexington Railway Second Mortgage Bonds,	892,000	62,440
<i>Carried forward</i> ,	\$54,908,660	\$3,352,984

	Bonds Outstanding.	Amount of Interest.
<i>Brought forward,</i>	\$54,908,660	\$3,352,984
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds.	3,258,000	195,480
Pensacola & Selma Division Bonds.	1,245,000	74,880
Pensacola & Atlantic Railroad First Mortgage Bonds.	2,970,000	177,270
Five-per-cent First Mortgage Trust Gold Bonds.	5,129,000	256,450
First Mortgage Five-per-cent Fifty-year Gold Bonds.	1,764,000	88,200
United Fifty-year Four-per-cent Gold Mortgage Bonds.	10,571,000	422,840
Kentucky Central Railway Company First Mortgage Four-per-cent Gold Bonds.	6,523,000	260,920
Maysville & Lexington Railroad Company Northern Division Seven-per-cent Bonds.	400,000	26,000
Maysville & Lexington Railroad Company Southern Division Five-per-cent Bonds.	219,000	10,950
	<u>\$86,990,660</u>	<u>\$4,867,974</u>

DEDUCT BONDS INCLUDED IN FOREGOING; DEPOSITED WITH TRUSTEES.

To secure Ten-forty Adjustment Bonds—

Lebanon-Knoxville Branch.	\$1,500,000	\$90,000
Louisville & Nashville and Mobile & Montgomery Railway Trust Deed Bonds.	2,677,000	160,620
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds.	3,208,000	192,480
Pensacola & Atlantic Railroad First Mortgage Bonds.	1,000,000	60,000
Pensacola & Selma Division First Mortgage Bonds.	595,000	53,880
Pensacola & Selma Division First Mortgage Bonds, also as part collateral for Georgia Railroad Lease.	390,000	21,000
To be deducted from foregoing total.	<u>\$9,563,000</u>	<u>\$577,980</u>
Total.	<u>\$77,357,660</u>	<u>\$4,289,994</u>
Deduct to secure Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds for \$1,000,000, included in foregoing.	1,960,000	117,600
Total Louisville & Nashville Railroad Company.	<u>\$75,397,660</u>	<u>\$4,172,394</u>

Nashville & Decatur Railroad First Mortgage Bonds.	\$2,100,000	\$147,000
Nashville & Decatur Railroad Stock.	2,265,552	136,504
South & North Alabama Railroad Sterling Bonds.	4,321,350	260,570
South & North Alabama Railroad Second Mortgage Bonds.	2,000,000	120,000
South & North Alabama Railroad Consolidated Mortgage Bonds.	3,543,000	177,150
Louisville Railway Transfer First Mortgage Bonds.	286,000	22,880
Owensboro & Nashville Railway First Mortgage Bonds.	1,200,000	72,000
Shelby Railroad Rent.		15,000
	<u>\$25,715,932</u>	<u>\$951,104</u>
Louisville & Nashville Railroad mortgage debt and interest.	<u>\$75,397,660</u>	<u>\$4,172,394</u>
Mortgage debt of other companies in the system.	<u>15,715,932</u>	<u>951,104</u>
	<u>\$91,113,592</u>	<u>\$5,123,498</u>

DEDUCT

Interest on Louisville & Nashville Railroad Bonds in the Treasury.	\$13,000
Interest on Owensboro & Nashville Railway First Mortgage Bonds in the Trust.	72,000
Rent of Cecilia Branch.	60,000
Rent of portion of Clarksville & Princeton Branch.	12,040
	<u>\$287,040</u>
Total estimated interest charges for 1892-93.	<u>\$4,836,438</u>

PAYMENTS ON ACCOUNT OF SINKING FUNDS, 1892-93.

Memphis, Clarksville & Louisville Railway Sterling.	August 1, 1892.	\$36,580
Memphis, Clarksville & Louisville Railway Sterling.	February 1, 1893.	12,280
Pensacola Division.	September 1, 1892.	8,000
Louisville & Nashville and South & North Ala. R. R. Trust Deed.	October 1, 1892.	20,000
Franklin, Henderson & Nashville Division.	November 1, 1892.	30,000
Louisville, Cincinnati & Lexington Railway First Mortgage.	January 1, 1893.	50,000
Louisville, Cincinnati & Lexington Railway Second Mortgage.	January 1, 1893.	80,000
Pensacola & Atlantic Railroad.	February 1, 1893.	34,800
Cecilia Branch.	March 1, 1893.	80,000
General Mortgage.	June 1, 1893.	211,512
		<u>\$453,472</u>

<i>Brought forward</i> ,		\$453,472
South & North Alabama Railroad Sterling,	November 1, 1892,	\$30,409
South & North Alabama Railroad Sterling,	December 1, 1892,	53,460
South & North Alabama Railroad Sterling,	May 1, 1893,	30,409
Nashville & Decatur Railroad,	April 1, 1893,	19,000
		<u>133,278</u>
Total,		\$586,750

GUARANTEES FOR OUTSIDE COMPANIES, ETC., 1892-93.

Joint lease of the Georgia Railroad with the Central Railroad Company of Georgia—

Total yearly rental under lease,	\$600,000
Louisville & Nashville Railroad Company's liability for half rental,	300,000

By reference to the general results statement it will be seen that there was a loss on this lease for the past year of \$124,695.02.

Southern Division Cumberland & Ohio Railroad, guaranteed interest,	\$21,000
Nashville, Florence & Sheffield Railway, \$2,096,000 of five-per-cent bonds, guaranteed interest,	104,800

BONDS IN THE SINKING FUNDS.

The trustees of the Memphis, Clarksville & Louisville Railroad Company First Mortgage hold the following bonds for the Sinking Funds:

117 Louisville & Nashville Five-per-cent Trust Bonds, \$1,000 each,	\$117,000 00
18 Louisville & Nashville General Mortgage Bonds, \$1,000 each,	18,000 00
11 Pensacola & Atlantic Railroad First Mortgage Bonds, \$1,000 each,	11,000 00
14 Nashville, Chattanooga & St. Louis Railway First Mortgage Tracy City Branch Bonds, \$1,000 each,	14,000 00
30 Nashville, Chattanooga & St. Louis Railway Bon Air Line Bonds, \$1,000 each,	30,000 00
93 Nashville, Florence & Sheffield Railway First Mortgage Bonds, \$1,000 each,	93,000 00
58 South & North Alabama Railroad Five-per-cent Consolidated Mortgage Bonds, \$1,000 each,	58,000 00
34 Louisville & Nashville Unified Fifty-year Four-per-cent Gold Bonds, \$1,000 each,	34,000 00
	<u>\$375,000 00</u>

The trustees of the South & North Alabama Railroad Company Sterling Mortgage hold the following bonds for the Sinking Fund:

40 South & North Alabama Railroad Sterling Mortgage Bonds, \$1,000 each,	\$40,000 00
235 Louisville & Nashville Five-per-cent Trust Bonds, \$1,000 each,	235,000 00
5 Louisville & Nashville Pensacola Division First Mortgage Bonds, \$1,000 each,	5,000 00
44 Louisville & Nashville General Mortgage Bonds, \$1,000 each,	44,000 00
191 Pensacola & Atlantic First Mortgage Bonds, \$1,000 each,	191,000 00
	<u>\$515,000 00</u>

The Trustees of the Nashville & Decatur Railroad Company hold the following Bonds for its First Mortgage Sinking Fund:

200 Nashville & Decatur Railroad First Mortgage Bonds, \$1,000 each,	\$200,000 00
91 Louisville & Nashville Pensacola Division First Mortgage Bonds, \$1,000 each,	91,000 00
39 Nashville, Chattanooga & St. Louis Railway Seven-per-cent Bonds, \$1,000 each,	39,000 00
41 Nashville, Chattanooga & St. Louis Railway Five-per-cent Bonds, \$1,000 each,	41,000 00
70 Tennessee State Three-per-cent Bonds, \$1,000 each,	70,000 00
15 Tennessee State Six-per-cent Bonds, \$1,000 each,	15,000 00
4 Tennessee State Six-per-cent Bonds, \$100 each,	400 00
29 South & North Alabama Railroad Five-per-cent Consolidated Mortgage Bonds, \$1,000 each,	29,000 00
4 Nashville Corporation Bonds, \$1,000 each,	4,000 00
10 Nashville Corporation Bonds, \$500 each,	5,000 00
2 Nashville Corporation Bonds, \$300 each,	600 00
5 Nashville Corporation Bonds, \$100 each,	500 00
2 Nashville Water Works Bonds, \$500 each,	1,000 00
5 Davidson County Bonds, \$500 each,	2,500 00
13 Louisville & Nashville Unified Fifty-year Four-per-cent Gold Bonds, \$1,000 each,	13,000 00

\$512,000 00

DIRECTORS
OF THE
LOUISVILLE & NASHVILLE RAILROAD COMPANY
FOR THE YEAR 1892-93.

AUGUST BELMONT, New York.	J. D. PROBST, New York.
J. A. HORSEY, New York.	THOMAS RUTTER, New York.
ARNOLD MARCUS, New York.	J. S. ROGERS, New York.
WILLIAM MERTENS, New York.	JACOB H. SCHIFF, New York.
ECKSTEIN NORTON, New York.	EDMUND SMITH, Philadelphia.
JOHN D. TAGGART, Louisville.	M. H. SMITH, Louisville.
JOHN A. CARTER, Louisville.	

EXECUTIVE OFFICERS.

CHAIRMAN OF THE BOARD,
AUGUST BELMONT, New York.

PRESIDENT,
M. H. SMITH, Louisville.

FIRST VICE-PRESIDENT,
STUART R. KNOTT, Louisville.

SECOND VICE-PRESIDENT,
A. M. QUARRIER, New York.

THIRD VICE-PRESIDENT,

TREASURER,
WM. W. THOMPSON, Louisville.

SECRETARY,
J. H. ELLIS, Louisville.

NEW YORK OFFICE, Equitable Building, 120 Broadway.
LOUISVILLE OFFICE, Main and Second Streets.

GENERAL OFFICERS

OF THE

LOUISVILLE & NASHVILLE RAILROAD COMPANY

OCTOBER, 1892.

J. G. METCALFE,	General Manager,	Louisville, Ky.
R. H. INGRAM,	Assistant to President,	Louisville, Ky.
RUSSELL HOUSTON,	Chief Attorney,	Louisville, Ky.
H. W. BRUCE,	Assistant Chief Attorney,	Louisville, Ky.
JOHN L. CADWALADER,	Attorney,	New York.
S. H. EDGAR,	Assistant Treasurer,	Louisville, Ky.
A. W. MORRISS,	Assistant Treasurer and Assistant Secretary,	New York.
HENRY ANTHON,	Transfer Agent,	New York.
G. W. PROCTOR,	Cashier,	Louisville, Ky.
CUSHMAN QUARRIER,	Comptroller,	Louisville, Ky.
Y. VAN DEN BERG,	Traffic Manager,	Louisville, Ky.
C. B. COMPTON,	General Freight Agent,	Louisville, Ky.
C. P. ATMORE,	General Passenger Agent,	Louisville, Ky.
P. P. HUSTON,	Purchasing Agent,	Louisville, Ky.
R. MONTFORT,	Chief Engineer,	Louisville, Ky.
PULASKI LEEDS,	Superintendent of Machinery,	Louisville, Ky.
GEORGE E. EVANS,	Superintendent of Transportation,	Louisville, Ky.
C. O. BRADFORD,	Real Estate Agent,	Louisville, Ky.

DIVISION SUPERINTENDENTS.

BRENT ARNOLD,	Superintendent Terminals,	Cincinnati, O.
LEWIS HOOD,	Superintendent Kentucky Central Division,	Cincinnati, O.
C. A. DAVIES,	Superintendent Louisville, Cincinnati & Lexington Div.,	Louisville, Ky.
E. H. BURCH,	Superintendent Terminals,	Louisville, Ky.
W. P. PIKE,	Superintendent Louisville Division,	Louisville, Ky.
J. W. LOGSDON,	Superintendent Cumberland Valley Division,	Middlesborough, Ky.
JAMES GEDDES,	Superintendent Nashville Division,	Nashville, Tenn.
W. M. NEWBOLD,	{ Superintendent South & North Alabama Railroad and Birmingham Mineral Railroad, }	Birmingham, Ala.
THOMAS K. SCOTT,	Superintendent Alabama Mineral Railroad,	Anniston, Ala.
J. I. MCKINNEY,	Superintendent Mobile & Montgomery Division,	Montgomery, Ala.
CHARLES MARSHALL,	Superintendent New Orleans & Mobile Division,	New Orleans, La.
E. O. SALTMARSH,	Superintendent Pensacola Div. and Pen. & Atlantic Div.,	Pensacola, Fla.
L. S. ROBERTSON,	Superintendent Memphis Line,	Memphis, Tenn.
B. F. DICKSON,	Superintendent Henderson and St. Louis Divisions,	Evansville, Ind.
S. DUNN,	Superintendent Clarksville & Princeton Division,	Clarksville, Tenn.
E. P. BRYAN,	Superintendent Terminals,	St. Louis, Mo.
W. S. MARTIN,	Superintendent Owensboro and Nashville Division,	Russellville, Ky.

PROCEEDINGS OF THE STOCKHOLDERS' MEETING.

The annual meeting of the stockholders of the Louisville & Nashville Railroad Company was held at the office of the Company in Louisville, Ky., at noon, on Wednesday, October 5, 1892.

On motion, Capt. Silas F. Miller was called to the chair, and J. H. Ellis appointed secretary.

The following persons, representing the stock of the Company, appeared, to wit:

Sundry persons and proxies, 366,801 shares.

The Report of the Directors to the Stockholders was submitted, and on motion of H. W. Bruce, seconded by J. G. Jarvis, it was unanimously

Resolved, That the report of the Directors to the Stockholders of this Company, and the statements of the accounts submitted therewith, for the fiscal year ended June 30, 1892, be and the same are hereby adopted, ratified, and confirmed, and that the said report and accounts be printed and circulated for the information of the stockholders.

The election of Directors following, and the persons named below having received the number of votes set opposite their respective names, as announced by the judges, to wit:

AUGUST BELMONT,	366,801 votes.
JOHN A. CARTER,	366,801 votes.
J. A. HORSBY,	366,801 votes.
A. MARCUS,	366,801 votes.
WM. MERTENS,	366,801 votes.
ECKSTEIN NORTON,	366,801 votes.
J. D. PROBST,	366,801 votes.
THOMAS RUTTER,	366,801 votes.
J. S. ROGERS,	366,801 votes.
EDMUND SMITH,	366,801 votes.
M. H. SMITH,	366,801 votes.
JACOB H. SCHIFF,	366,801 votes.
J. D. TAGGART,	366,801 votes.

they were declared elected Directors of the Louisville & Nashville Railroad Company for the ensuing year.

The meeting then adjourned *sine die*.

SILAS F. MILLER, *Chairman*.

J. H. ELLIS, *Secretary*.

FORTY-FIRST ANNUAL REPORT

OF THE
BOARD OF DIRECTORS
OF THE

LOUISVILLE & NASHVILLE RAILROAD CO.

FOR THE
FISCAL YEAR ENDED JUNE 30, 1892.

TO THE STOCKHOLDERS OF THE LOUISVILLE & NASHVILLE RAILROAD COMPANY:

The Board of Directors of the Louisville & Nashville Railroad Company respectfully submit their report for the fiscal year ended June 30, 1892, as follows:

LENGTH OF ROADS.

The length of roads operated by this Company, and of those in which it is interested, at the close of the fiscal year, June 30, 1892, is as follows:

I. OWNED ABSOLUTELY OR THROUGH THE OWNERSHIP OF THE ENTIRE CAPITAL STOCK.

	Length in Miles
Main Stem—Louisville to Nashville,	185.23
Birmingham Mineral Railroad—	
North Branch—Magella to Brick-yard Y,	8.02
Alice Branch, . . . . .	.89
Fossil Branch, . . . . .	.63
	9.54
South Branch—Graces to Bessemer,	11.57
Muscoda Branch—Sloss to Muscoda,	1.20
	12.77
Blue Creek Extension—Blue Creek Junction to Blocton Junction,	27.08
Dudley Branch—Yolande to Brookwood,	9.01
Pioneer Branch—Chamblee to Goethite,	3.65
Huntsville Branch—Bessemer to Oneonta,	49.30
Gurley Creek—Village Springs to Comptons,	4.05
Limestone Spur,	1.18
Self Creek—Palmer to Comptons,	4.30
Brown Ore—Spur-Oneonta to Champion,	3.50
Gate City Branch—Boyles to Trussville,	17.14
Red Gap Branch—Gate City to Graces,	10.28
Helena & Blocton—Helena (Taco) to Piney Woods,	10.04
	161.84
Alabama Mineral Railroad—Attalla to Shelby,	107.75
Shelby to Calera,	11.34
Shelby to Columbiana,	5.82
	124.91
Carried forward,	471.98

TABLE No. I.

INCOME ACCOUNT, JUNE 30, 1892.

GROSS EARNINGS—		
From freight,	\$14,604,260 04	
From passenger,	5,137,016 61	
From mails,	507,136 53	
From express,	455,627 04	
From miscellaneous,	531,681 33	
Total earnings,		\$21,235,721 55
DEDUCT OPERATING EXPENSES—		
Conducting transportation,	\$5,176,353 91	
Motive power,	3,195,007 85	
Maintenance of cars,	1,505,317 07	
Maintenance of way and structure,	2,404,711 79	
General expenses,	1,510,731 85	
Total operating expenses 64.95 per cent,		13,792,122 47
Net earnings from traffic 35.05 per cent,		\$7,443,599 08
DEDUCT FIXED CHARGES—		
Interest and rents,	\$4,860,878 05	
Taxes,	513,184 77	
		\$5,374,062 82
DEDUCT—		
Loss on Georgia Railroad lease,	\$124,695 02	
Loss on other roads, which is a claim against them,	128,001 23	
		252,696 25
		5,626,759 07
Net earnings,		\$1,816,840 01
ADD—		
Income from investments,		533,293 10
Net income for the year,		\$2,350,133 11
DEDUCT—		
Two and one half per cent cash dividend declared January 7, 1892,	\$1,320,000 00	
Two per cent cash dividend declared July 9, 1892,	1,056,000 00	
		2,376,000 00
Deficit for the year,		\$25,866 89
Balance to credit of income account June 30, 1891,		656,226 41
Balance to credit of income account June 30, 1892,		<u>\$630,359 52</u>

TABLE No. II.

PROFIT AND LOSS ACCOUNT, JUNE 30, 1892.

Credits.

Balance to credit of this account June 30, 1891,	\$50,934 06
Interest received on bonds in Sinking Fund,	23,120 00
Difference between purchase value of 17 Unified Fifty-year Gold Four-per-cent Bonds and par value of same,	3,230 00
Premium on sale of 7 Decatur Land Improvement & Furnace Company Bonds,	700 00
To raise 531 Ten-forty Adjustment Bonds to par value,	11,725 00
Difference between actual cost of constructing Nashville, Florence & Sheffield Railway and bonds received,	44,482 94
Credits from various sources,	160 78
	<u>\$134,352 78</u>

Debits.

Ten-per-cent Premium on 228 bonds redeemed for Sinking Fund Account,	\$22,800 00
Ten-per-cent Premium on 1 six-per-cent Collateral Trust Bond redeemed,	100 00
	<u>22,900 00</u>
Discount on Five-per-cent Trust Bonds sold,	3,532 51
Discount on 150 Nashville, Florence & Sheffield Railway Bonds sold,	5,579 04
Difference between actual cost of constructing Birmingham Mineral Railroad and bonds received,	30,538 36
Balance to credit of this account June 30, 1892,	71,802 87
	<u>\$134,352 78</u>

TABLE No. III.
GENERAL BALANCE SHEET, JUNE 30, 1892.

Dr.		ASSETS.	
		COST OF ROAD AND EQUIPMENT.	
Road fixtures and equipment,		\$102,465,253 47	
Clarksville Mineral Branch under construction, not completed,		528,152 87	
Cost of Road and Equipment to June 30, 1892,			\$102,993,406 34
Real estate, quarry and timber lands,			757,338 71
BONDS OWNED—		INVESTMENTS.	
Ten-forty Adjustment Bonds,		\$531,000 00	
Unified Fifty-year Four-per-cent Gold Mortgage Bonds,		1,266,000 00	
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds,		50,000 00	
Sloss Iron and Steel Co. First Mortgage Bonds,		44,193 25	
Eureka Company First Mortgage Bonds,		29,000 00	
Elkton & Guthrie Railroad First Mortgage Bonds,		25,000 00	
Pensacola & Atlantic Railroad Land Grant Bonds,		906,000 00	
Louisville & Nashville and Mobile & Montgomery Railway Trust Deed Bonds,		267,000 00	
Southern Iron Co. First Mortgage Bonds,		25,000 00	
South & North Alabama Railroad Five-per-cent Consolidated Mortgage Bonds,		154,000 00	
South & North Alabama Railroad First Mortgage Sterling Bonds,		18,142 59	
Pensacola & Atlantic Railroad First Mortgage Bonds,		33,887 50	
Sundry Railroad and other Bonds,		212,707 36	
			3,561,930 70
STOCKS OWNED—			
Nashville & Decatur Railroad Stock,		\$806,709 87	
Owensboro & Nashville Railway Stock,		57,601 77	
Nashville, Florence & Sheffield Railway Stock,		1,738 00	
Birmingham Mineral Railroad Stock,		159,250 00	
Elkton & Guthrie Railroad Stock,		15,175 00	
Mobile & Montgomery Railway Stock,		10,543 20	
South & North Alabama Railroad Company Stock (common),		17,199 06	
Birmingham Rolling Mill Company Stock,		34,600 00	
Export Coal Company of Pensacola Stock,		75,000 00	
Sundry Railroad and other stocks,		48,807 34	
			1,226,624 24
MATERIAL AND SUPPLIES—IN SHOPS AND ON LINE OF ROAD,			1,396,410 24
TRUST ACCOUNTS.			
STOCKS AND BONDS HELD IN TRUST BY THE CENTRAL TRUST COMPANY OF NEW YORK, TRUSTEE, FOR TEN-FORTY ADJUSTMENT BONDS AND UNIFIED FIFTY-YEAR FOUR-PER-CENT GOLD MORTGAGE BONDS, VIZ—			
Louisville & Nashville Lebanon-Knoxville Branch Bonds,		\$1,500,000 00	
Louisville & Nashville Pensacola & Selma Division Bonds,		898,000 00	
Louisville & Nashville Mobile & Montgomery Division Bonds,		2,677,000 00	
Louisville & Nashville Louisville, Cincinnati & Lexington Railway Company's Bonds,		3,208,000 00	
Pensacola & Atlantic Railroad Bonds,		900,000 00	
Alabama Mineral Railroad Bonds,		1,650,010 00	
Stock in Louisville, Cincinnati & Lexington Railway Company,		3,070,959 75	
Stock in South & North Alabama Railroad Company,		1,125,500 69	
Stock in Mobile & Montgomery Railway Company,		3,272,906 12	
Stock in South-East & St. Louis Railway Company,		294,000 00	
Stock in Pontchartrain Railroad Company,		4,632 37	
Stock in Nashville, Chattanooga & St. Louis Railway Company,		4,878,538 75	
Stock in Owensboro & Nashville Railway Company,		250,728 48	
Stock in Henderson Bridge Company,		501,000 00	
Stock in Pensacola Railroad Company,		2,850 00	
Stock in Louisville Railway Transfer Company,		47,062 54	
Stock in Birmingham Mineral Railroad Company,		690,410 00	
Stock in Alabama Mineral Railroad Company,		225,010 00	
Stock in Nashville, Florence & Sheffield Railway Company,		60,600 00	
Stock in Henderson Belt Railroad Company,		19,750 00	
Carried forward,		\$25,276,958 70	\$109,935,710 23

TABLE No. III.
GENERAL BALANCE SHEET, JUNE 30, 1892.

LIABILITIES.

Cr.

CAPITAL STOCK.

Stock issued, \$52,703,120 00

CAPITAL STOCK LIABILITY.

Original stock and subsequent dividends unissued, \$84,007 40

Scrip issued on stock dividends, 12,872 60

96,880 00

Total capital stock and stock liability, \$52,800,000 00

BONDED DEBT.

General Mortgage Bonds,	\$11,458,000 00
Consolidated Mortgage Bonds,	7,070,000 00
Ten-forty Adjustment Bonds,	4,531,000 00
Unified Fifty-year Four-per-cent Gold Mortgage Bonds,	10,571,000 00
Memphis, Clarksville & Louisville Railroad First Mortgage Bonds,	2,015,660 00
Memphis & Ohio Railroad First Mortgage Bonds,	3,500,000 00
New Orleans, Mobile & Texas Division First Mortgage Bonds,	5,000,000 00
New Orleans, Mobile & Texas Division Second Mortgage Bonds,	1,000,000 00
Pensacola & Atlantic Railroad First Mortgage Bonds,	2,970,000 00
Pensacola Division First Mortgage Bonds,	580,000 00
Cecilia Branch First Mortgage Bonds,	801,000 00
Evansville, Henderson & Nashville Division First Mortgage Bonds,	2,241,000 00
Louisville & Nashville and Mobile & Montgomery Railway Trust Deed Bonds,	2,677,000 00
South-East and St. Louis Division First Mortgage Bonds,	3,500,000 00
South-East and St. Louis Division Second Mortgage Bonds,	3,000,000 00
Lebanon-Knoxville Branch Mortgage Bonds,	1,500,000 00
Pensacola & Selma Division First Mortgage Bonds,	1,248,000 00
Louisville, Cincinnati & Lexington Railway First Mortgage Bonds,	2,850,000 00
Louisville, Cincinnati & Lexington Railway Second Mortgage Bonds,	892,000 00
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds,	3,258,000 00
City of Louisville, Lebanon Branch Extension Bonds,	333,000 00
First Mortgage Five-per-cent Fifty-year Gold Bonds,	1,764,000 00
Five-per-cent Collateral Trust Gold Bonds,	5,129,000 00
Kentucky Central Railway First Mortgage Four-per-cent Gold Bonds,	6,523,000 00
Maysville & Lexington Railroad Northern Division Seven-per-cent Bonds,	400,000 00
Maysville & Lexington Railroad Southern Division Five-per-cent Bonds,	219,000 00
	\$85,030,660 00

DEDUCT—

Bonds included in the foregoing deposited with Central Trust Company of New York, Trustee, to secure \$4,531,000 Ten-forty Adjustment Bonds, viz:

Lebanon-Knoxville Branch Bonds,	\$1,500,000 00
Louisville & Nashville and Mobile & Montgomery R'y Trust Deed Bonds,	2,677,000 00
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds,	3,208,000 00
Pensacola & Atlantic Railroad First Mortgage Bonds,	1,000,000 00
Pensacola & Selma Division First Mortgage Bonds,	898,000 00
	\$9,283,000 00

Pensacola & Selma Division First Mortgage Bonds, deposited with the Farmers Loan and Trust Company, of New York, Trustee, as part Collateral for Georgia Railroad Lease,

350,000 00

9,633,000 00

75,397,660 00

Carried forward, \$128,197,660 00

Dr.

GENERAL BALANCE SHEET, JUNE 30, 1892.

<i>Brought forward</i> ,	\$25,276,958 70	\$109,935,710 23
DEDUCT—		
Cost of Lou., Cin. & Lex. Railway Stock, which having been added to Cost of Road is therefore deducted from this account,	\$3,070,959 75	
Cost of Alabama Mineral Railroad Bonds and Stock, which having been added to Cost of Road is therefore deducted from this account,	1,875,020 00	
Cost of Henderson Belt Railroad Stock, which having been added to cost of road is therefore deducted from this amount,	19,750 00	
Bonds included in Bonded Debt deposited with Central Trust Company of New York, Trustee, to secure \$4,531,000 Ten-forty Adjustment Bonds, which having been deducted from the Liabilities (Bonded Debt), is therefore deducted from this account, viz:		
Lebanon-Knoxville Branch Bonds,	\$1,500,000 00	
Mobile & Montgomery Division,	2,677,000 00	
Pensacola & Selma Division,	898,000 00	
Lou., Cin. & Lex. Railway General Mortgage Bonds,	3,208,000 00	
Pensacola & Atlantic Railroad First Mortgage Bonds,	1,000,000 00	
	9,283,000 00	
Pensacola & Selma Division Bonds included in Bonded Debt deposited with the Farmers Loan and Trust Company of New York, Trustee, as part collateral for Georgia Railroad Lease, which having been deducted from the Liabilities (Bonded Debt), is therefore deducted from this account,	350,000 00	
	14,598,729 75	10,678,228 95
BONDS HELD IN TRUST BY FARMERS LOAN AND TRUST COMPANY OF NEW YORK, TRUSTEE FOR FIVE-PER-CENT TRUST BONDS—		
Birmingham Mineral Railroad First Mortgage Bonds,	\$3,929,000 00	
Owensboro & Nashville Railway First Mortgage Bonds,	1,200,000 00	
		5,129,000 00
BONDS HELD IN TRUST BY FARMERS LOAN AND TRUST COMPANY OF NEW YORK, TRUSTEE FOR GEORGIA RAILROAD LEASE—		
South & North Alabama Railroad Five-per-cent Consolidated Bonds,	\$250,000 00	
Louisville & Nashville Pensacola & Selma Division Bonds,	350,000 00	
		600,000 00
BONDS AND CASH HELD BY TRUSTEES OF SINKING FUNDS—		
Trustees Louisville, Cincinnati & Lexington Railway Sinking Fund,	\$50,000 00	
Union Trust Company, New York, Trustee Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds (invested),	113,114 66	
Union Trust Company, New York, Trustee Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds (uninvested),	1,690 33	
Union Trust Company, New York, to redeem called Bonds of Cecilia Branch,	41,000 00	
Trustees Memphis, Clarksville & Louisville Railroad (invested),	366,937 95	
Trustees Memphis, Clarksville & Louisville Railroad (uninvested),	760 75	
Central Trust Company of New York, Trustee (uninvested),	577 23	
		574,080 92
LOUISVILLE & NASHVILLE AND SOUTH & NORTH ALA. R. R. TRUST DEED SINKING FUND BONDS REDEEMED,		40,000 00
ADVANCES.		
Nashville & Decatur Railroad Company,	\$928,041 34	
South & North Alabama Railroad Company,	505,559 84	
Mobile & Montgomery Railway Company,	259,520 16	
Northern Division Cumberland & Ohio Railroad Company,	211,665 99	
Southern Division Cumberland & Ohio Railroad Company,	81,364 80	
Elkton & Guthrie Railroad Company,	520 66	
Nashville, Florence & Sheffield Railway Company,	276,600 26	
New and Old Decatur Belt and Terminal Railroad Company,	83,708 47	
		2,346,981 52
CURRENT ASSETS.		
Due from Station Agents,	\$602,735 70	
Net Traffic balances due from other Companies,	79,246 58	
Due from Adams and Southern Express Companies,	54,995 52	
Due from United States Government, Post-office Department,	131,486 88	
Due from sundry railroads and persons,	1,014,131 31	
Bills Receivable—Land Notes,	169,685 23	
Bills Receivable—Other Notes,	1,404,048 56	
		3,456,329 78
Cash,		710,806 80
Total,		\$133,471,138 20

GENERAL BALANCE SHEET, JUNE 30, 1892.

Cr.

Brought forward, \$128,197,660 00

CURRENT LIABILITIES.

Bills Payable,		\$174,995 83	
Pay Rolls for June, 1892, payable in July,	\$867,348 13		
Vouchers for June, 1892, payable in July,	372,823 56		
Unclaimed on Pay Rolls,	182,196 10		
Unclaimed on Vouchers,	90,429 89		
		1,512,797 68	
Interest on Bonds due July 1st and August 1st,	\$770,586 71		
Unpresented Coupons,	66,616 00		
		837,202 71	
Dividends Unclaimed,	\$42,479 73		
Cash Dividend No. 36, payable August 1, 1892,	1,056,000 00		
		1,098,479 73	
Due Sundry Railroads and Persons,		531,582 86	
			4,155,058 81
INCOME ACCOUNT—Surplus from Operations to June 30, 1892,			630,359 52
PROFIT AND LOSS ACCOUNT,		\$71,802 87	
SUSPENSE ACCOUNT,		416,257 00	
			488,059 87

Total, \$133,471,138 20

Brought forward, \$12,433,000 00

STOCKS.		Subject to 10-40	Subject to Unified
		Mortgage Bonds.	Mortgage Bonds.
15,000 Shares Louisville, Cincinnati & Lexington Railway Company Preferred Stock, \$100 each,	\$1,500,000 00	\$1,500,000 00	\$1,500,000 00
10,000 Shares Louisville, Cincinnati & Lexington Railway Company Common Stock, \$100 each,	1,000,000 00	1,000,000 00	985,000 00
20,000 Shares South & North Alabama Railroad Company Preferred Stock, \$100 each,	2,000,000 00	2,000,000 00	2,000,000 00
11,274 Shares South & North Alabama Railroad Company Common Stock, \$100 each,	1,127,400 00	185,000 00	1,127,400 00
29,397 Shares Mobile & Montgomery Railway Company Stock, \$100 each,	2,939,700 00	2,939,700 00	2,939,700 00
40,000 Shares New Orleans, Mobile & Texas Railroad Company, as reorganized, Stock, \$100 each,	4,000,000 00	4,000,000 00	3,985,000 00
9,800 Shares South-East & St. Louis Railway Company Stock, \$100 each,	980,000 00	980,000 00	980,000 00
7,400 Shares Pontchartrain Railroad Company Stock, \$100 each,	740,000 00	740,000 00	
54,615 Shares Nashville, Chattanooga & St. Louis Railway Stock, \$100 each,	5,461,500 00	3,385,000 00	5,461,500 00
9,634 Shares Owensboro & Nashville Railway Company Stock, \$100 each,	963,400 00	250,000 00	963,400 00
5,010 Shares Henderson Bridge Company Stock, \$100 each,	501,000 00		501,000 00
2,850 Shares Pensacola Railroad Company Stock, \$100 each,	285,000 00		285,000 00
1,000 Shares Louisville Railway Transfer Company Stock, \$100 each,	100,000 00		100,000 00
19,726 Shares Birmingham Mineral Railroad Company Stock, \$100 each,	1,972,600 00		1,972,600 00
19,690 Shares Alabama Mineral Railroad Company Stock, \$100 each,	1,969,000 00		1,969,000 00
6,150 Shares Nashville, Florence & Sheffield Railway Company Stock, \$100 each,	615,000 00		615,000 00
395 Shares Henderson Belt Railroad Company Stock, \$50 each,	19,750 00		19,750 00
Total Stocks,	\$26,174,350 00		
Total Bonds and Stocks,		38,607,350 00	

The Company also owns \$2,000,000 South & North Alabama Railroad Company Second Mortgage Bonds, which have been deposited with the Union Trust Company, of New York City, Trustee, to secure the Louisville & Nashville Railroad Company \$2,000,000 six-per-cent Sinking Fund loan of April 1, 1880. \$40,000 of these bonds, through the operation of the Sinking Fund of said Louisville & Nashville loan, have been redeemed and canceled, thus reducing the amount to \$1,960,000; and the said Trustee holds \$21,000 of the same bonds for this Sinking Fund which have not been canceled. Being unable to buy this issue of bonds to advantage the Trustee has bought \$66,000 Louisville & Nashville Five-per-cent Trust Bonds and \$64,000 Louisville & Nashville Railroad Company Unified Fifty-year Four-per-cent Gold Bonds for this Sinking Fund.

The Company also owns \$1,200,000 Owensboro & Nashville Railway Company First Mortgage Six-per-cent Bonds and \$3,929,000 Birmingham Mineral Railroad Company First Mortgage Five-per-cent Bonds, which have been deposited with the Farmers Loan and Trust Company, Trustee, to secure the issue of \$5,129,000 Louisville & Nashville Five-per-cent Trust Bonds.

The Company also owns \$250,000 South & North Alabama Railroad Company Five-per-cent Consolidated Mortgage Bonds and \$350,000 Louisville & Nashville Pensacola & Selma Division Bonds, which are deposited with the Farmers Loan and Trust Company, Trustee, as collateral for the Georgia Railroad lease.

TABLE No. VI.

GROSS EARNINGS, OPERATING EXPENSES, AND NET, BY MONTHS.

RECAPITULATION. (L. & N. SYSTEM.)

[Average for year, 2,942.03 Miles.]

MONTHS.	Freight.	Passenger.	Mail.	Express.	Miscellaneous.	Total Earnings.	Operating Expenses.	Net Earnings.	Per cent of Exps. to Earnings.
July, . 1892	\$1,247,356 13	\$456,156 18	\$43,335 14	\$33,345 64	\$54,077 55	\$1,834,270 64	\$1,197,368 66	\$636,901 98	65.28
Aug., . "	1,314,042 29	474,775 32	51,554 75	33,727 37	43,775 41	1,917,875 14	1,227,654 29	690,220 85	64.01
Sept., . "	1,295,105 86	472,581 12	52,289 48	33,883 05	53,265 58	1,907,125 09	1,220,296 17	686,828 92	63.99
Oct., . "	1,431,050 06	462,335 53	47,643 63	39,562 71	57,560 01	2,038,151 94	1,214,270 10	823,881 84	59.58
Nov., . "	1,410,146 26	398,291 73	48,442 38	39,832 78	59,896 23	1,956,609 38	1,183,704 95	772,904 43	60.50
Dec., . "	1,418,957 92	453,415 40	47,102 25	48,338 56	63,082 63	2,030,896 76	1,130,312 70	900,584 06	55.66
Jan., . 1893	1,299,712 17	413,674 23	48,577 02	33,692 30	62,013 28	1,857,669 00	1,170,047 66	687,621 34	62.98
Feb., . "	1,278,135 37	399,881 06	48,671 52	35,118 12	55,761 87	1,817,567 94	1,108,414 34	709,153 60	60.98
Mar., . "	1,331,513 16	411,982 13	48,474 66	39,198 63	61,345 41	1,892,513 99	1,263,539 99	628,974 00	66.77
April, . "	1,128,896 76	402,213 28	48,769 84	38,957 22	56,665 58	1,675,502 68	1,192,539 80	482,962 88	71.18
May, . "	1,172,554 97	434,046 50	49,994 23	44,251 69	60,765 32	1,761,612 71	1,250,553 94	511,058 77	70.99
June, . "	1,122,691 79	434,180 50	49,271 39	37,856 35	69,843 95	1,713,843 98	1,223,939 85	489,904 13	71.41
Total, . .	\$15,450,162 74	\$5,213,532 98	\$584,126 29	\$457,764 42	\$698,052 82	\$22,403,639 25	\$14,382,642 45	\$8,020,996 80	64.20

TABLE No. VII.

TOTAL EARNINGS, OPERATING EXPENSES, AND NET.

RECAPITULATION.

SOURCES.	Percentage of Gross Earnings.	GROSS EARNINGS.	Operating Expenses.	Net Earnings.
Passenger earnings,	23.271	\$5,213,532 98	\$4,067,544 21	\$2,217,231 98
Mail earnings,	2.607	584,126 29		
Express earnings,	2.043	457,764 42		
Train privileges, . . . . .	.131	29,352 50	
Freight earnings,	68.963	15,450,162 74	10,315,098 24	5,135,064 50
Rent of passenger cars, . . . . .	.324	72,576 69	
Rent of freight cars,	1.232	275,995 53		
Rent of engines, . . . . .	.941	210,785 47	
Rents from other sources, . . . . .	.348	78,036 36	
Car detention, storage, etc., . . . . .	.097	21,718 94	
Wharfage and storage, Pensacola, Fla., . . . . .	.020	4,415 76	
Bridge tolls, . . . . .	.001	230 80	
Telegraph,022	4,940 77	\$14,382,642 45	4,940 77
Grand total,	100.000	\$22,403,639 25		

Brought forward, \$12,433,000 00

STOCKS.

		Subject to 10-40 Mortgage Bonds.	Subject to Unified Mortgage Bonds.
15,000 Shares Louisville, Cincinnati & Lexington Railway Company Preferred Stock, \$100 each,	\$1,500,000 00	\$1,500,000 00	\$1,500,000 00
10,000 Shares Louisville, Cincinnati & Lexington Railway Company Common Stock, \$100 each,	1,000,000 00	1,000,000 00	985,000 00
20,000 Shares South & North Alabama Railroad Company Preferred Stock, \$100 each,	2,000,000 00	2,000,000 00	2,000,000 00
11,274 Shares South & North Alabama Railroad Company Common Stock, \$100 each,	1,127,400 00	185,000 00	1,127,400 00
29,397 Shares Mobile & Montgomery Railway Company Stock, \$100 each, . . .	2,939,700 00	2,939,700 00	2,939,700 00
40,000 Shares New Orleans, Mobile & Texas Railroad Company as reorganized, Stock, \$100 each,	4,000,000 00	4,000,000 00	3,985,000 00
9,800 Shares South-East & St. Louis Railway Company Stock, \$100 each, . . .	980,000 00	980,000 00	980,000 00
7,400 Shares Pontchartrain Railroad Company Stock, \$100 each,	740,000 00	740,000 00	
50,775 Shares Nashville, Chattanooga & St. Louis Railway Company Stock, \$100 each,	5,077,500 00	3,385,000 00	5,077,500 00
9,634 Shares Owensboro & Nashville Railway Company Stock, \$100 each, . . .	963,400 00	250,000 00	963,400 00
5,010 Shares Henderson Bridge Company Stock, \$100 each,	501,000 00		501,000 00
2,850 Shares Pensacola Railroad Company Stock, \$100 each,	285,000 00		285,000 00
1,000 Shares Louisville Railway Transfer Company Stock, \$100 each,	100,000 00		100,000 00
19,726 Shares Birmingham Mineral Railroad Company Stock, \$100 each, . . .	1,972,600 00		1,972,600 00
19,690 Shares Alabama Mineral Railroad Company Stock, \$100 each,	1,969,000 00		1,969,000 00
6,150 Shares Nashville, Florence & Sheffield Railway Company Stock, \$100 each,	615,000 00		615,000 00
395 Shares Henderson Belt Railroad Company Stock, \$50 each,	19,750 00		19,750 00
Total Stocks,	\$25,790,350 00		
Total Bonds and Stocks,	38,223,350 00		

The Company also owns \$2,000,000 South & North Alabama Railroad Company Second Mortgage Bonds, which have been deposited with the Union Trust Company, of New York City, Trustee, to secure the Louisville & Nashville Railroad Company \$2,000,000 six-per-cent Sinking Fund loan of April 1, 1880. \$40,000 of these bonds, through the operation of the Sinking Fund of said Louisville & Nashville loan, have been redeemed and canceled, thus reducing the amount to \$1,960,000; and the said Trustee holds \$21,000 of the same bonds for this Sinking Fund which have not been canceled. Being unable to buy this issue of bonds to advantage the Trustee has bought \$66,000 Louisville & Nashville Five-per-cent Trust Bonds and \$30,000 Louisville & Nashville Railroad Company Unified Fifty-year Four-per-cent Gold Bonds for this Sinking Fund.

The Company also owns \$1,200,000 Owensboro & Nashville Railway Company First Mortgage Six-per-cent Bonds and \$3,929,000 Birmingham Mineral Railroad Company First Mortgage Five-per-cent Bonds, which have been deposited with the Farmers Loan and Trust Company, Trustee, to secure the issue of \$5,129,000 Louisville & Nashville Five-per-cent Trust Bonds.

The Company also owns \$250,000 South & North Alabama Railroad Company Five-per-cent Consolidated Mortgage Bonds and \$350,000 Louisville & Nashville Pensacola & Selma Division Bonds, which are deposited with the Farmers Loan and Trust Company, Trustee, as collateral for the Georgia Railroad lease.

TABLE No. VI.
GROSS EARNINGS, OPERATING EXPENSES, AND NET, BY MONTHS.
RECAPITULATION. (L. & N. SYSTEM.)

MONTHS.	Freight.	Passenger.	Mail.	Expense.	Miscellaneous.	Total Earnings.	Operating Expenses.	Net Earnings.	[Average for year, 2,857.91 miles.]	
									Per ct. of Exps. to Earnings.	MONTHS.
July, . . . 1891	\$1,274,449 15	\$474,703 92	\$39,974 01	\$34,499 57	\$43,163 89	\$1,866,790 54	\$1,175,590 10	\$691,200 44	62.97	July, . . . 1891
August, . . . "	1,212,570 28	482,363 63	40,203 28	32,538 49	28,378 42	1,796,054 10	1,138,800 83	657,253 27	63.41	August, . . . "
September, . . . "	1,237,391 54	472,779 41	39,800 68	36,121 55	37,012 95	1,823,106 13	1,139,322 01	683,784 12	62.49	September, . . . "
October, . . . "	1,374,971 01	459,812 20	47,739 29	43,163 19	37,342 08	1,963,027 77	1,218,380 22	744,647 55	62.07	October, . . . "
November, . . . "	1,305,203 47	396,973 22	42,038 82	39,177 89	37,649 60	1,821,043 00	1,191,357 72	629,685 28	65.42	November, . . . "
December, . . . "	1,221,152 05	437,241 33	42,797 04	47,286 79	42,673 77	1,791,150 98	1,185,255 78	605,895 20	66.17	December, . . . "
January, . . . 1892	1,071,742 67	387,697 69	42,941 64	34,585 04	44,617 11	1,581,584 15	1,133,431 87	448,152 28	71.66	January, . . . 1892
February, . . . "	1,258,719 82	398,165 26	44,181 56	33,064 70	50,524 80	1,784,656 14	1,093,945 65	690,710 49	61.30	February, . . . "
March, "	1,229,005 15	404,962 07	40,316 82	36,664 16	47,458 97	1,758,407 17	1,093,889 01	664,518 16	62.21	March, "
April, "	1,126,751 04	377,805 59	42,328 70	37,397 47	41,744 02	1,626,026 82	1,156,939 97	469,086 85	71.15	April, "
May, "	1,151,096 82	412,984 74	42,893 20	45,211 89	55,491 56	1,707,678 21	1,147,666 74	560,011 47	67.21	May, "
June, "	1,141,207 04	431,527 55	41,921 49	35,916 30	65,624 16	1,716,196 54	1,117,542 57	598,653 97	65.12	June, "
Total,	\$14,604,260 04	\$5,137,016 61	\$507,136 53	\$455,627 04	\$531,681 33	\$21,235,721 55	\$13,792,122 47	\$7,443,599 08	64.95	

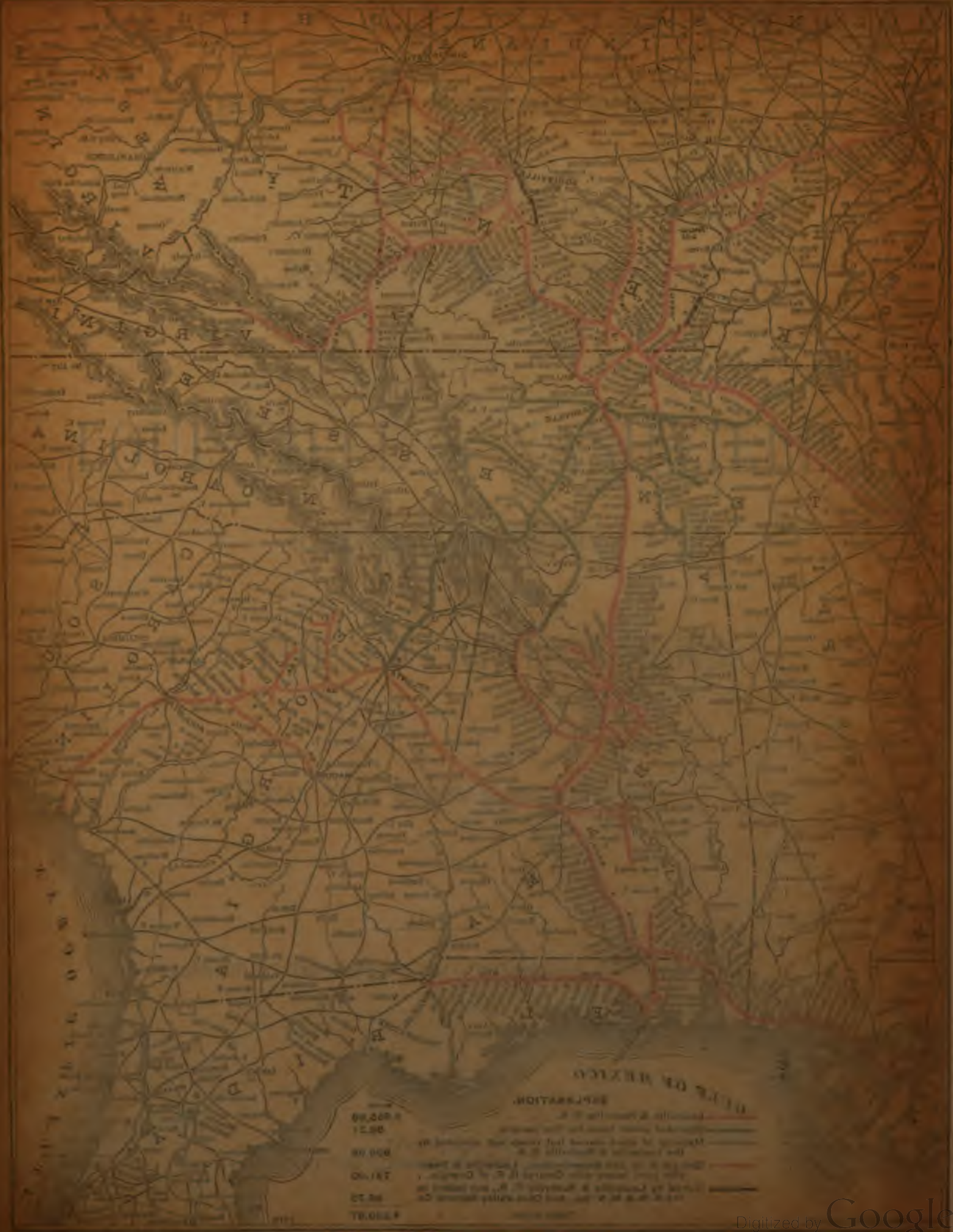


1893-94

FORTY-THIRD ANNUAL REPORT
OF THE
LOUISVILLE & NASHVILLE
RAILROAD COMPANY.

FISCAL YEAR ENDED JUNE 30, 1894.

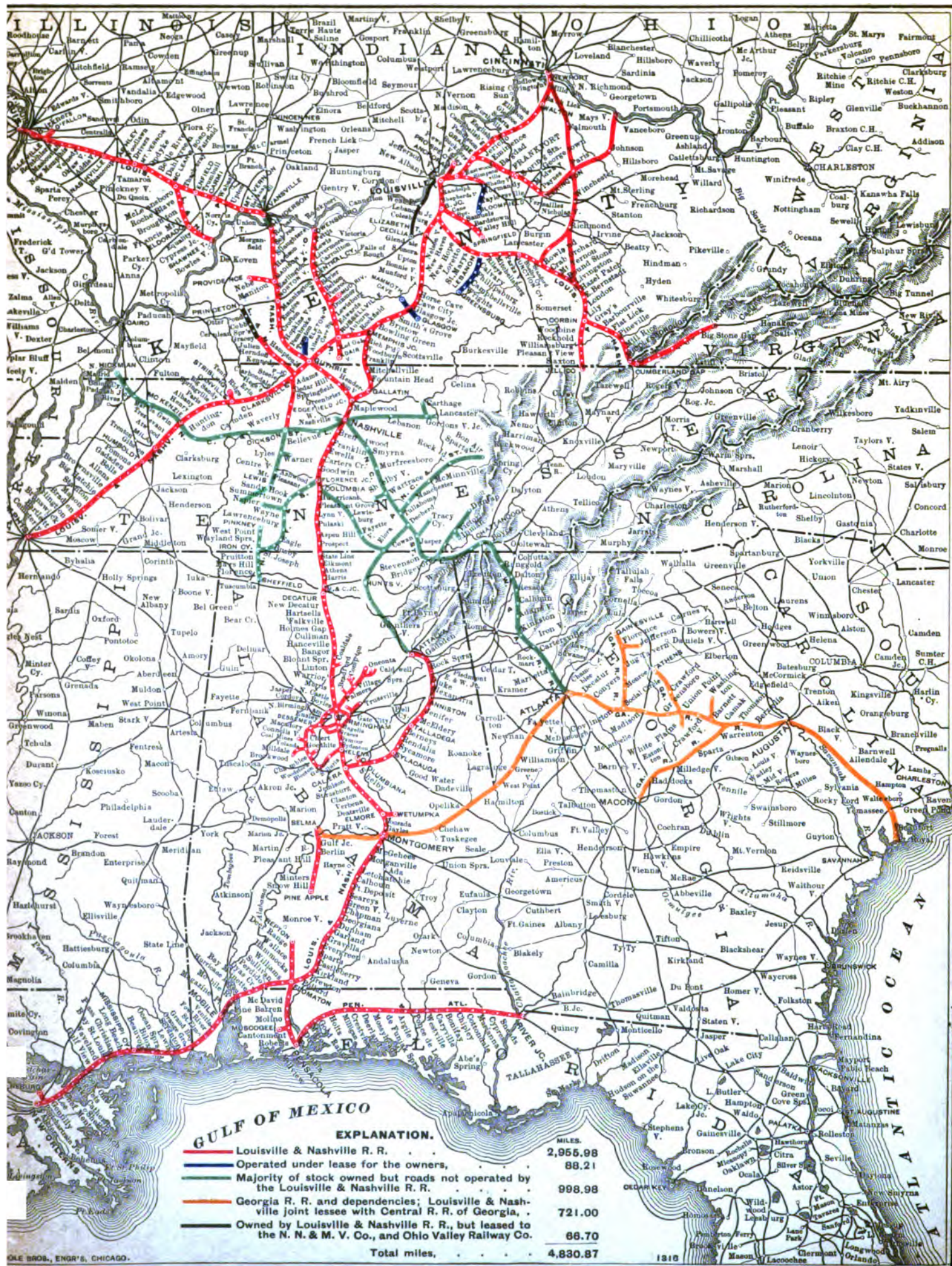
MAP OF THE LOUISVILLE & NASHVILLE RAILROAD AND BELLEVILLE



LEGEND.

— Louisville & Nashville R.R.
 — Nashville & Louisville R.R.
 — Louisville & Cincinnati R.R.
 — Cincinnati & Louisville R.R.
 — Louisville & Memphis R.R.
 — Memphis & Louisville R.R.
 — Louisville & New Orleans R.R.
 — New Orleans & Louisville R.R.
 — Louisville & Mobile R.R.
 — Mobile & Louisville R.R.

MAP OF THE LOUISVILLE & NASHVILLE RAILROAD AND DEPENDENCIES.



FORTY-THIRD ANNUAL REPORT
OF THE
BOARD OF DIRECTORS
OF THE
LOUISVILLE & NASHVILLE
RAILROAD COMPANY
TO THE STOCKHOLDERS.

FISCAL YEAR ENDED JUNE 30, 1894.

PRESENTED AT THE MEETING HELD WEDNESDAY, OCTOBER 3, 1894.

LOUISVILLE, KY.:
PRINTED BY THE COURIER-JOURNAL JOB PRINTING CO.
1894.

DIRECTORS
OF THE
LOUISVILLE & NASHVILLE RAILROAD COMPANY
FOR THE YEAR 1894-95.

AUGUST BELMONT, New York.

ALBERT FINK, Louisville.

H. E. GARTH, New York.

J. A. HORSEY, New York.

JOHN L. HELM, Elizabethtown.

G. M. LANE, Boston.

W. MERTENS, New York.

J. D. PROBST, New York.

THOS. RUTTER, New York.

EDMUND SMITH, Philadelphia.

MILTON H. SMITH, Louisville.

J. D. TAGGART, Louisville.

J. I. WATERBURY, New York.

EXECUTIVE OFFICERS.

CHAIRMAN OF THE BOARD,
AUGUST BELMONT, New York.

PRESIDENT,
M. H. SMITH, Louisville.

FIRST VICE-PRESIDENT,
STUART R. KNOTT, Louisville.

SECOND VICE-PRESIDENT,
A. M. QUARRIER, New York.

TREASURER,
WM. W. THOMPSON, Louisville.

SECRETARY,
J. H. ELLIS, Louisville.

NEW YORK OFFICE, Equitable Building, 120 Broadway.
LOUISVILLE OFFICE, Main and Second Streets.

GENERAL OFFICERS

OF THE

LOUISVILLE & NASHVILLE RAILROAD COMPANY

OCTOBER, 1894.

J. G. METCALFE,	General Manager,	Louisville, Ky.
R. H. INGRAM,	Assistant to President,	Louisville, Ky.
RUSSELL HOUSTON,	Chief Attorney,	Louisville, Ky.
H. W. BRUCE,	Assistant Chief Attorney,	Louisville, Ky.
JOHN L. CADWALADER,	Attorney,	New York.
S. H. EDGAR,	Assistant Treasurer,	Louisville, Ky.
A. W. MORRISS,	Assistant Treasurer and Assistant Secretary,	New York.
F. P. HOLRAN,	Transfer Agent,	New York.
G. W. PROCTOR,	Cashier,	Louisville, Ky.
CUSHMAN QUARRIER,	Comptroller,	Louisville, Ky.
Y. VAN DEN BERG,	Traffic Manager,	Louisville, Ky.
C. B. COMPTON,	General Freight Agent,	Louisville, Ky.
C. P. ATMORE,	General Passenger Agent,	Louisville, Ky.
P. P. HUSTON,	Purchasing Agent,	Louisville, Ky.
R. MONTFORT,	Chief Engineer,	Louisville, Ky.
PULASKI LEEDS,	Superintendent of Machinery,	Louisville, Ky.
GEORGE E. EVANS,	Superintendent of Transportation,	Louisville, Ky.
C. O. BRADFORD,	Real Estate Agent,	Louisville, Ky.

DIVISION SUPERINTENDENTS.

BRENT ARNOLD,	Superintendent Terminals	Cincinnati, O.
LEWIS HOOD,	Superintendent Kentucky Central Division,	Cincinnati, O.
C. A. DAVIES,	Superintendent Louisville, Cincinnati & Lexington Div.,	Louisville, Ky.
E. H. BURCH,	Superintendent Terminals,	Louisville, Ky.
W. P. PIKE,	Superintendent Louisville Division,	Louisville, Ky.
J. W. LOGSDON,	Superintendent Cumberland Valley Division,	Middlesborough, Ky.
JAMES GEDDES,	Superintendent Nashville Division,	Nashville, Tenn.
W. M. NEWBOLD,	{ Superintendent South & North Alabama Railroad } and Birmingham Mineral Railroad,	Birmingham, Ala.
W. E. KNOX,	Superintendent Alabama Mineral Railroad,	Anniston, Ala.
J. I. MCKINNEY,	Superintendent Mobile & Montgomery Division,	Montgomery, Ala.
CHARLES MARSHALL,	Superintendent New Orleans & Mobile Division,	New Orleans, La.
E. O. SALTMARSH,	Superintendent Pensacola Div. and Pen. & Atlantic Div.,	Pensacola, Fla.
L. S. ROBERTSON,	Superintendent Memphis Line,	Memphis, Tenn.
B. F. DICKSON,	Superintendent Henderson & St. Louis Division,	Evansville, Ind.
S. DUNN,	Superintendent Clarksville & Princeton Division,	Clarksville, Tenn.
E. P. BRYAN,	Superintendent Terminals,	St. Louis, Mo.
W. S. MARTIN,	Superintendent Owensboro & Nashville Division,	Russellville, Ky.

PROCEEDINGS OF THE STOCKHOLDERS' MEETING.

The annual meeting of the stockholders of the Louisville & Nashville Railroad Company was held at the office of the Company in Louisville, Ky., at noon, on Wednesday, October 3, 1894.

On motion, Silas F. Miller was called to the chair, and J. H. Ellis appointed secretary.

The following persons, representing the stock of the Company, appeared, to wit:

Sundry persons and proxies, 347,063 shares.

The Report of the Directors to the Stockholders was submitted, and on motion of H. W. Bruce, seconded by J. B. Briggs, it was unanimously

Resolved, That the report of the Directors to the Stockholders of this Company, and the statements of the accounts submitted therewith, for the fiscal year ended June 30, 1894, be and the same are hereby adopted, ratified, and confirmed, and that the said report and accounts be printed and circulated for the information of the stockholders.

The election of Directors following, and the persons named below having received the number of votes set opposite their respective names, as announced by the judges, to wit:

AUGUST BELMONT,	347,063 votes,
ALBERT FINK,	347,063 votes,
H. E. GARTH,	347,063 votes,
J. A. HORSEY,	347,063 votes,
JOHN L. HELM,	347,063 votes,
G. M. LANR,	347,063 votes,
A. MARCUS,	347,063 votes,
W. MERTENS,	347,063 votes,
J. D. PROBST,	347,063 votes,
THOS. RUTTER,	347,063 votes,
EDMUND SMITH,	347,063 votes,
J. D. TAGGART,	347,063 votes,
J. I. WATERBURY,	347,063 votes,

they were declared elected Directors of the Louisville & Nashville Railroad Company for the ensuing year.

The meeting then adjourned *sine die*.

SILAS F. MILLER, *Chairman*.

J. H. ELLIS, *Secretary*.

FORTY-THIRD ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

LOUISVILLE & NASHVILLE RAILROAD CO.

FOR THE

FISCAL YEAR ENDED JUNE 30, 1894.

TO THE STOCKHOLDERS OF THE LOUISVILLE & NASHVILLE RAILROAD COMPANY:

The Board of Directors of the Louisville & Nashville Railroad Company respectfully submit their report for the fiscal year ended June 30, 1894, as follows:

LENGTH OF ROADS.

The length of roads operated by this Company, and of those in which it is interested, at the close of the fiscal year, June 30, 1894, is as follows:

I. OWNED ABSOLUTELY OR THROUGH THE OWNERSHIP OF THE ENTIRE CAPITAL STOCK.

	Length in Miles
Main Stem—Louisville to Nashville	185.23
Birmingham Mineral Railroad—	
North Branch—Magella to Brick-yard Y	8.02
Alice Branch—Alice to Alice Mines . . . . .	.89
Fossil Branch—Alice to Fossil Mines . . . . .	.63
	9.54
South Branch—Graces to Bessemer	11.57
Muscoda Branch—Sloss to Muscoda	1.20
	12.77
Blue Creek Extension—Blue Creek Junction to Blocton Junction	27.08
Dudley Branch—Yolande to Brookwood	9.01
Pioneer Branch—Chamblee to Goethite	3.65
Huntsville Branch—Bessemer to Oneonta	49.30
Gurley Creek—Village Springs to Comptons	3.39
Limestone Spur—Gurley to Worthington's Quarry	1.18
Self Creek—Palmer to Bradford	4.30
Brown Ore Spur—Oneonta to Champion	3.50
Gate City Branch—Boyles to Trussville	17.14
Red Gap Branch—Gate City to Graces	10.28
Helena & Blocton—Tacoa to Gurnee Junction	10.04
	161.18
Alabama Mineral Railroad—Attalla to Calera	119.07
Shelby to Columbiana	5.84
	124.91
Carried forward	471.32

	Length in Miles.	
<i>Brought forward</i>		471.32
Mobile & Montgomery Railway—Montgomery to Mobile		178.49
New Orleans & Mobile Railroad—Mobile to New Orleans		140.36
Pontchartrain Railroad—Pontchartrain Junction to Milneburg		5.18
Bardstown & Springfield Branch—Bardstown Junction to Bardstown	17.37	
Bardstown to Springfield	20.07	
		37.44
Knoxville Branch—Lebanon Junction to Jellico		171.17
Cumberland Valley Branch—Corbin to Norton		116.38
Memphis Line—Memphis Junction to Memphis		259.13
Owensboro & Nashville Railway—		
Owensboro to Adairville	83.46	
Mud River Branch—Penrod to Mud River Mines	4.64	
		88.10
Clarksville & Princeton Branch—Princeton Junction to Gracey		32.00
Clarksville Mineral Branch—		
Hematite to Pond	32.03	
Van Leer to Cumberland Furnace	6.00	
		38.03
Henderson Division—Edgefield Junction to Henderson	134.76	
Madisonville Branch—Madisonville to Providence	16.10	
		150.86
St. Louis Division—Evansville to East St. Louis	162.00	
Shawneetown Branch—McLeansboro Junction to Shawneetown	40.70	
O'Fallon Branch—O'Fallon Junction to O'Fallon	6.04	
		208.74
Pensacola & Selma Division—Gulf Junction to Pineapple	35.61	
Escambia Junction to Repton	29.36	
		64.97
Pensacola Division—Flomaton to Pensacola		44.40
Pensacola & Atlantic Railroad—Pensacola to River Junction		160.14
Cincinnati Division—Louisville to Newport	109.70	
East Louisville to South Louisville	4.13	
		113.83
Lexington Branch—LaGrange to Lexington		67.00
Louisville, Harrod's Creek & Westport Railroad—Louisville to Prospect		11.16
Kentucky Central Railway—		
Covington to Livingston	149.88	
Maysville to Paris	49.48	
Paris Junction to Lexington	17.86	
Estill Junction to Rowland	30.43	
		247.65
Total miles owned		2,606.35
II. LINES OVER WHICH THIS COMPANY RUNS ITS TRAINS, THE EARNINGS OF WHICH ACCRUE TO THIS COMPANY.		
Birmingham Mineral Railroad—Blocton to Blocton Junction	7.91	
Gurnee Junction to Blocton	14.41	
		22.32
III. OPERATED UNDER LEASE, EARNINGS IN EXCESS OF FIXED CHARGES ACCRUING TO THIS COMPANY.		
Nashville & Decatur Railroad—Nashville to Decatur	119.24	
Shelby Railroad—Anchorage to Shelbyville	19.10	
		138.34
IV. OPERATED FOR ACCOUNT OF THE SOUTH & NORTH ALABAMA RAILROAD COMPANY.		
South & North Alabama Railroad—New Decatur to Montgomery	182.67	
Wetumpka Branch—Elmore to Wetumpka	6.30	
		188.97
Total Louisville & Nashville System		2,955.98

Length in Miles.

Brought forward 2,955.98

V. OPERATED UNDER LEASE FOR ACCOUNT OF THE FOLLOWING COMPANIES.

Southern Division Cumberland & Ohio Railroad—Cumberland & Ohio Junction to Greensburg . .	30.90	
Northern Division Cumberland & Ohio Railroad—Shelbyville to Bloomfield	26.72	
Glasgow Railroad—Glasgow Junction to Glasgow	10.50	
Elkton & Guthrie Railroad—Elkton Junction to Elkton	10.92	
Mammoth Cave Railroad—Glasgow Junction to Mammoth Cave	8.35	
Grand Avenue Junction to Grand Avenue Cave . . . . .	.82	
	9.17	88.21

VI. LINES IN WHICH THIS COMPANY IS INTERESTED AS OWNER OF A MAJORITY OF THE CAPITAL STOCK IN THE COMPANY THAT OPERATES THE ROAD.

Nashville, Chattanooga & St. Louis Railway	81.09	
Nashville, Florence & Sheffield Railway—		
Columbia to Sheffield	82.13	
West Point Branch—Iron City to Pinkney	11.78	
Napier Branch—Summertown to Napier	10.92	
	104.83	
Henderson Bridge and Connecting Track	10.06	998 98

VII. LINES IN WHICH THIS COMPANY IS INTERESTED AS JOINT LESSEE WITH THE CENTRAL RAILROAD COMPANY OF GEORGIA.

Georgia Railroad and Dependencies	721.00
---	--------

VIII. LINES OWNED BUT NOT OPERATED BY THIS COMPANY.

Cecilia Branch, Louisville to Cecilia Junction (leased to Chesapeake, Ohio & Southwestern Railway at \$60,000 per annum)	46.00	
Clarksville & Princeton Branch, from Gracey to Princeton (leased to Ohio Valley Railroad Company at \$12,039.70 per annum)	20.70	66.70
		<hr/>
Total Mileage		4,830.87

The earnings and expenses in this report are based on an average of 2,955.98 miles, as shown in Table No. VI. Attention is called to the tables submitted herewith for details of the year's business:

- | | |
|--|--|
| I. Income Account, Fixed Charges, etc. | V. Securities Owned by the Company. |
| II. Profit and Loss Account. | VI. Gross Earnings, Operating Expenses and Net, by months. |
| III. General Balance Sheet. | VII. Gross Earnings, Operating Expenses and Net, summarized. |
| IV. Bonded Debt, in Detail. | |

CAPITAL STOCK.

There has been issued during the year \$2,200,000 Capital Stock. This stock has not been listed on the New York Stock Exchange, but is carried in the treasury of the Company as unlisted stock, making the total Capital Stock \$55,000,000.

At a special meeting of the stockholders held November 8th, 1893, an additional issue of \$5,000,000 of stock was authorized, but said stock has not been issued.

BONDED DEBT.

The bonded debt as per Table No. IV last year's report, was \$77,330,660

BONDS ISSUED—

Unified Fifty-year Four-per-cent Gold Bonds	\$2,177,000
Louisville Railway Transfer First Mortgage Bonds assumed (the Railway Transfer Company having been taken into L. & N. R. R. system)	286,000
Total bonds issued and assumed	\$79,793,660

<i>Brought forward</i>		\$79,793,660
DEDUCT BONDS REDEEMED AND CANCELED DURING THE YEAR—		
General Mortgage Bonds canceled for the Sinking Fund	\$195,000	
Cecilia Branch Bonds canceled for the Sinking Fund	49,000	
Evansville, Henderson & Nashville Division Bonds canceled for the Sinking Fund	34,000	
Pensacola & Atlantic Railroad Bonds canceled for the Sinking Fund	33,000	
Memphis, Clarksv. & Louisv. Railroad First Mortgage Bonds, canceled for the Sinking Fund,	19,000	
City of Louisville Lebanon Branch Extension, redeemed at maturity	332,000	
		<u>662,000</u>
Outstanding June 30, 1894		\$79,131,660
Showing an increase over last year in the bonded debt of		1,801,000

The increase in the bonded indebtedness is accounted for as follows:

Unified Fifty-year Four-per-cent Gold Bonds issued for the following purposes:		
For miscellaneous betterments, such as side-tracks, station buildings, ballast, renewals of bridges and equipment	\$1,465,000	
For purchase of Nashville, Chattanooga & St. Louis Railway Stock	45,000	
For Bonds redeemed for Sinking Funds	337,000	
For City of Louisville Lebanon Branch Extension Bonds redeemed	330,000	
		<u>\$2,177,000</u>
Louisville Railway Transfer First Mortgage Bonds	286,000	
		<u>2,463,000</u>
DEDUCT—		
Bonds redeemed during the year		662,000
		<u>\$1,801,000</u>
Increase		\$1,801,000
There have been issued for the purchase of the Chesapeake, Ohio & Southwestern Railroad properties, 5,000 Two-ten Five-per-cent Gold Obligations of \$1,000 each, bearing 5 per cent interest		
		5,000,000

Of these Two-ten Five-per-cent Gold Obligations \$4,500,000 were made pursuant to paragraph I of the agreement, dated 28th day of November, 1893, between the Illinois Central Railroad Company and the Louisville & Nashville Railroad Company, and the other \$500,000 were made pursuant to paragraph II of said agreement.

Said agreement was made between said Companies to enable the Louisville & Nashville Railroad Company to purchase, become the owner of, and operate the Chesapeake, Ohio & Southwestern Railroad, but the Jefferson Circuit Court—Chancery Division—of Kentucky, has enjoined the Louisville & Nashville Railroad Company from complying with said agreement in any respect. An appeal from the decision of that court is now pending in the Court of Appeals of Kentucky, and the case may be carried to the Supreme Court of the United States before it be finally decided whether the Louisville & Nashville Railroad Company can legally purchase, become the owner of, and operate the Chesapeake, Ohio & Southwestern Railroad, and until such final decision, it can not be known whether the Louisville & Nashville Railroad Company will have to pay any of said obligations.

GENERAL RESULTS.

The general results from operations for the year were:

Gross Earnings	\$18,974,336 93
Operating Expenses, 62.53 per cent	11,863,784 87
Net Earnings from Traffic, 37.47 per cent	\$7,110,552 06
DEDUCT CHARGES AGAINST INCOME—	
Interest, Rents, etc.	\$5,065,277 18
Taxes	600,358 99
	<u>5,665,636 17</u>
Net Earnings	\$1,444,915 89
ADD—Income from Investments	272,288 02
	<u>\$1,717,203 91</u>
DEDUCT—	
Loss on Georgia Railroad Lease	\$ 24,784 08
Loss on other roads, which is a claim against them	139,929 58
	<u>164,713 66</u>
Net Income for the year	\$1,552,490 25

The average length of roads operated was 2,955.98, showing for the year as follows:

	1893-94.	1892-93.
Gross Earnings, per mile	\$6,418 97	\$7,615 03
Operating Expenses, per mile	4,013 48	4,888 68
Net Earnings, per mile	\$2,405 49	\$2,726 35

The growth of traffic is shown by the following table:

Years.	Average Miles Operated.	Gross Earnings.	Operating Expenses.	Net Earnings.	Gross Earnings per Mile.	Operating Expenses, per Mile.	Net Earnings, per Mile.	Per cent of Expenses to Earnings.
1879-80 . . .	1,190.58	\$7,394,515 93	\$4,173,302 64	\$3,221,213 29	\$6,210 85	\$3 505 27	\$2,705 58	56.44
1880-81 . . .	1,768.86	10,812,935 85	6,631,864 37	4,181,071 48	6,112 94	3,749 23	2,363 71	61.33
1881-82 . . .	1,912.25	11,911,439 67	7,371,011 93	4,540,427 74	6,229 02	3,854 63	2,374 39	61.88
1882-83 . . .	2,014.45	13,144,714 83	8,015,737 92	5,128,976 91	6,525 21	3,979 12	2,546 09	60.98
1883-84 . . .	1,997.55	14,261,386 05	8,823,782 56	5,437,603 49	7,139 44	4,417 30	2,722 14	61.87
1884-85 . . .	1,989.21	13,847,143 86	8,104,789 56	5,742,354 30	6,961 13	4,074 38	2,886 75	58.53
1885-86 . . .	1,943.52	13,076,795 34	8,126,506 64	4,950,288 70	6,728 41	4,181 33	2,547 08	62.15
1886-87 . . .	1,943.52	14,979 992 30	8,953,502 06	6,026,490 24	7,707 66	4,606 85	3,100 81	59.77
1887-88 . . .	2,027.00	16,360,241 44	10,267,535 11	6,092,706 33	8,071 16	5,065 39	3,005 77	62.76
1888-89 . . .	2,161.64	16,599,396 24	10,326,085 57	6,273,310 67	7,679 08	4,776 97	2,902 11	62.21
1889-90 . . .	2,198.25	18,846,003 92	11,419,092 47	7,426,911 45	8,573 19	5,194 63	3,378 56	60.59
1890-91 . . .	2,250.32	19,220,728 62	12,058,444 59	7,162,284 03	8,541 33	5,358 54	3,182 79	62.74
1891-92 . . .	2,857.91	21,235,721 55	13,792,122 47	7,443,599 08	7,430 50	4,825 94	2,604 56	64.95
1892-93 . . .	2,942.03	22,403,639 25	14,382,642 45	8,020,996 80	7,615 03	4,888 68	2,726 35	64.20
1893-94 . . .	2,955.98	18,974,336 93	11,863,784 87	7,110,552 06	6,418 97	4,013 48	2,405 49	62.53

CONSTRUCTION ACCOUNT.

The expenditures during the year for equipment improvements and additions to the several properties were as follows:

CARS BUILT IN COMPANY'S SHOPS—

2 baggage cars	\$5,332 74
2 express cars	3,206 86

\$ 8,539 60

CARS BOUGHT—

725 box cars	\$323,659 11
400 fruit cars	191,742 81
400 drop bottom gondolas	153,802 49

669,204 41

LOCOMOTIVES BOUGHT—

15 consolidation locomotives	155,526 00
--	------------

Right of way	3,423 94
Grading and paving	150 89
Bridges	21,382 06
Fences, safety gates, and sign boards	13,054 91
Tunnels	30,912 00
Ballast	39,933 38
Buildings	28,384 48
Shop machinery	9,987 40
Sidings	40,156 24
Filling trestles	19,466 81
Difference in weight of new steel rails replacing lighter rails	43,548 61
Raising grade	6,288 73
Second tracks	36,192 52
Real estate	1,183 70
Water supply—Lebanon Junction	\$4,364 61
Montgomery	3,010 21
Automatic signals	7,374 82
Culverts	800 00
Changing south end Muldraugh's Hill Tunnel to open cut	757 66
Telegraph lines	22,067 30
Sundries	1,930 53
	448 19

Total \$1,160,714 18

COST OF ROAD AND EQUIPMENT.

The cost of road has been charged with the amount expended on Construction Account, the cost of the Louisville Railway Transfer which has been taken into the Louisville & Nashville Railroad system, and the cost of the New & Old Decatur Belt & Terminal Company.

The cost of the road June 30, 1893, was	\$104,828,162 36
Balance of construction account for year ended June, 30, 1894	1,033,581 74
Louisville Railway Transfer	378,652 22
New & Old Decatur Belt & Terminal Company	85,094 57
Total cost to June 30, 1894, as per Table No. III.	\$106,325,490 89

STEEL AND IRON RAILS.

At the close of the fiscal year ended June 30, 1893, there were in tracks:

Steel rails	2,736.60
Iron rails	195.74
	<u>2,932.34 miles.</u>

There have been added during the year on new tracks:

Cincinnati Division A, Street connection—Steel . . . . .	.74 miles.
Total	<u>2,933.08 miles.</u>

During the past fiscal year several of the divisions were remeasured, which resulted in a net increase of .58 of a mile,

Which is to be added to the foregoing mileage . . . . .	.58 miles.
Total	<u>2,933.66 miles.</u>

During the year there were 70.95 miles of track relaid with new steel rails, to replace old steel, at a cost of \$97,463.30.

Of this amount \$58,108.11 has been charged to Operating Expenses, and \$39,355.19 to Construction Account for the difference in weight of rails which were replaced by heavier rails.

28.63 miles of old steel from main lines was used to replace old iron on several branches.

There are in track, therefore, on June 30, 1894:

Steel rails	2,766.55
Iron rails	167.11
Total	<u>2,933.66 miles.</u>

Of the new steel laid, 6.23 miles is of the 60-lb. pattern, and .04 mile of the 68-lb. pattern, and 64.68 miles of the 70-lb. pattern.

INTEREST CHARGES FOR 1894-95.

The interest charges against Income Account are estimated as follows:

	Bonds Outstanding.	Amount of Interest.
Consolidated Mortgage Bonds	\$7,070,000	\$494,900
City of Louisville, Lebanon Branch Extension Bonds	1,000	.. . .
General Mortgage Bonds	11,056,000	659,160
Memphis & Ohio Railroad Sterling Mortgage Bonds	3,500,000	248,784
Memphis, Clarksville & Louisville Railroad Sterling Mortgage Bonds	1,996,660	120,424
Cecilia Branch First Mortgage Bonds	724,000	49,000
Evansville, Henderson & Nashville Division First Mortgage Bonds	2,181,000	129,900
Pensacola Division First Mortgage Bonds	580,000	34,800
Lebanon-Knoxville Branch Bonds	1,500,000	90,000
Southeast & St. Louis Division First Mortgage Bonds	3,500,000	210,000
Southeast & St. Louis Division Second Mortgage Bonds	3,000,000	90,000
Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds	1,960,000	117,600
Louisville & Nashville and Mobile & Montgomery Railway Trust Deed Bonds	2,677,000	160,620
New Orleans & Mobile Division First Mortgage Bonds	5,000,000	300,000
New Orleans & Mobile Division Second Mortgage Bonds	1,000,000	60,000
Ten-forty Adjustment Bonds	4,531,000	271,860
Louisville, Cincinnati & Lexington Railway First Mortgage Bonds	2,850,000	199,500
Louisville, Cincinnati & Lexington Railway Second Mortgage Bonds	892,000	62,440
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds	3,258,000	195,480
Pensacola & Selma Division Bonds	1,248,000	74,880
Pensacola & Atlantic Railroad First Mortgage Bonds	2,905,000	174,300
Five-per-cent First Mortgage Trust Gold Bonds	5,129,000	256,450
First Mortgage Five-per-cent Fifty-year Gold Bonds	1,764,000	88,200
Unified Fifty-year Four-per-cent Gold Bonds	14,974,000	598,960
Kentucky Central Railway First Mortgage Four-per-cent Gold Bonds	6,523,000	260,920
Maysville & Lexington Railroad Northern Division Seven-per-cent Bonds	400,000	28,000
Maysville & Lexington Railroad Southern Division Five-per-cent Bonds	219,000	10,950
Louisville Railway Transfer First Mortgage Bonds	286,000	22,880
	<u>\$90,724,660</u>	<u>\$5,010,008</u>
DEDUCT BONDS INCLUDED IN ABOVE; DEPOSITED WITH TRUSTEES.		
To secure Ten-forty Adjustment Bonds—		
Lebanon-Knoxville Branch Bonds	\$1,500,000	\$ 90,000
Louisville & Nashville and Mobile and Montgomery Railway Trust Deed Bonds	2,677,000	160,620
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds	3,208,000	192,480
Pensacola & Atlantic Railroad First Mortgage Bonds	1,000,000	60,000
Pensacola & Selma Division First Mortgage Bonds	898,000	53,880
Pensacola & Selma Division First Mortgage Bonds (also as part collateral for Georgia Railroad Lease)	350,000	21,000
	<u>\$9,633,000</u>	<u>\$577,980</u>
	<u>\$81,091,660</u>	<u>\$4,432,028</u>
Deduct to secure Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds for \$1,960,000, included in foregoing	1,960,000	117,600
Total Louisville & Nashville Railroad Company	<u>\$79,131,660</u>	<u>\$4,314,428</u>
Nashville & Decatur Railroad First Mortgage Bonds	\$2,100,000	\$147,000
Nashville & Decatur Railroad Stock	2,303,582	138,784
South & North Alabama Railroad Sterling Mortgage Bonds	4,014,830	242,102
South & North Alabama Railroad Second Mortgage Bonds	2,000,000	120,000
South & North Alabama Railroad Consolidated Mortgage Bonds	3,859,000	192,950
Owensboro & Nashville Railway First Mortgage Bonds	1,200,000	72,000
Shelby Railroad Rent	15,000	15,000
	<u>\$15,492,412</u>	<u>\$927,836</u>
Louisville & Nashville Railroad mortgage debt and interest	\$79,131,660	\$4,314,428
Mortgage debt and interest of other Companies in the system	15,492,412	927,836
	<u>\$94,624,072</u>	<u>\$5,242,264</u>

	Amount of Interest.
<i>Brought forward</i>	\$5,242,264
DEDUCT:	
Interest on Louisville & Nashville Railroad Bonds in the Treasury	\$114,800
Interest on Owensboro & Nashville Railway First Mortgage Bonds in the Trust	72,000
Rent of Cecilia Branch	60,000
Rent of portion of Clarksville & Princeton Branch	12,040
	<u>258,840</u>
Total estimated interest charges for 1894-95	<u>\$4,983,424</u>

PAYMENTS ON ACCOUNT OF SINKING FUNDS, 1894-95.

Memphis, Clarksville & Louisville Railroad Sterling	August 1, 1894	\$ 37,133	
Memphis, Clarksville & Louisville Railroad Sterling	February 1, 1895	12,833	
Pensacola Division	September 1, 1894	8,000	
Louisville & Nashville and South & North Ala. R. R. Trust Deed	October 1, 1894	20,000	
Evansville, Henderson & Nashville Division	December 1, 1894	30,000	
Louisville, Cincinnati & Lexington Railway First Mortgage	January 1, 1895	50,000	
Louisville, Cincinnati & Lexington Railway Second Mortgage	January 1, 1895	10,000	
Pensacola & Atlantic Railroad	February 1, 1895	38,720	
Cecilia Branch	March 1, 1895	40,000	
General Mortgage	June 1, 1895	235,586	
			\$482,272
South & North Alabama Railroad Sterling	November 1, 1894	39,605	
South & North Alabama Railroad Sterling	December 1, 1894	53,460	
South & North Alabama Railroad Sterling	May 1, 1895	39,605	
Nashville & Decatur Railroad	April 1, 1895	19,000	
			<u>151,670</u>
Total			\$633,942

GUARANTEES FOR OUTSIDE COMPANIES, ETC., 1894-95.

Joint lease of the Georgia Railroad with the Central Railroad Company of Georgia—	
Total yearly rental under lease	\$600,000
Louisville & Nashville Railroad Company's liability for half rental	300,000

By reference to the general results statement it will be seen that there was a loss on this lease for the past year of \$24,784.08.

Southern Division Cumberland & Ohio Railroad, guaranteed interest	\$ 21,000
Nashville, Florence & Sheffield Railway, \$2,096,000 of five-per-cent bonds, guaranteed interest	104,800

BONDS IN THE SINKING FUNDS.

The trustees of the Memphis, Clarksville & Louisville Railroad Company First Mortgage hold the following bonds for the Sinking Fund :

117 Louisville & Nashville Railroad Five-per-cent Trust Bonds, \$1,000 each	\$117,000 00
18 Louisville & Nashville Railroad General Mortgage Bonds, \$1,000 each	18,000 00
11 Pensacola & Atlantic Railroad First Mortgage Bonds, \$1,000 each	11,000 00
14 Nashville, Chattanooga & St. Louis Railway First Mortgage Tracy City Branch Bonds, \$1,000 each	14,000 00
30 Nashville, Chattanooga & St. Louis Railway Bon Air Branch Bonds, \$1,000 each	30,000 00
93 Nashville, Florence & Sheffield Railway First Mortgage Bonds, \$1,000 each	93,000 00
58 South & North Alabama Railroad Five-per-cent Consolidated Mortgage Bonds, \$1,000 each	58,000 00
185 Louisville & Nashville Railroad Unified Fifty-year Four-per-cent Gold Bonds, \$1,000 each	185,000 00
2 Nashville, Chattanooga & St. Louis Railway First Consolidated Mortgage Bonds, \$1,000 each	2,000 00
Total	<u>\$528,000 00</u>

The trustees of the South & North Alabama Railroad Company Sterling Mortgage hold the following bonds for the Sinking Fund:

1	South & North Alabama Railroad Sterling Mortgage Bond	\$ 1,000 00
235	Louisville & Nashville Railroad Five-per-cent Trust Bonds, \$1,000 each	235,000 00
5	Louisville & Nashville Railroad, Pensacola Division, First Mortgage Bonds, \$1,000 each	5,000 00
44	Louisville & Nashville Railroad General Mortgage Bonds, \$1,000 each	44,000 00
191	Pensacola & Atlantic Railroad First Mortgage Bonds \$1,000 each	191,000 00
Total		\$476,000 00

The trustees of the Nashville & Decatur Railroad Company hold the following bonds for its First Mortgage Sinking Fund:

200	Nashville & Decatur Railroad First Mortgage Bonds, \$1,000 each	\$200,000 00
91	Louisville & Nashville Railroad, Pensacola Division, First Mortgage Bonds, \$1,000 each	91,000 00
50	Nashville, Chattanooga & St. Louis Railway Seven-per-cent Bonds, \$1,000 each	50,000 00
69	Nashville, Chattanooga & St. Louis Railway First Consolidated Mortgage Bonds, \$1,000 each	69,000 00
3	Nashville, Chattanooga & St. Louis Railway, Lebanon Branch Bonds, \$1,000 each	3,000 00
70	Tennessee State Three-per-cent Bonds, \$1,000 each	70,000 00
29	South & North Alabama Railroad Five-per-cent Consolidated Mortgage Bonds, \$1,000 each	29,000 00
4	Nashville Corporation Bonds, \$1,000 each	4,000 00
34	Nashville Corporation Bonds, \$500 each	17,000 00
1	Nashville Corporation Bond	300 00
2	Nashville Corporation Bonds, \$100 each	200 00
2	Nashville Water-Works Bonds, \$500 each	1,000 00
13	Louisville & Nashville Railroad Unified Fifty-year Four-per-cent Gold Bonds, \$1,000 each	13,000 00
28	Nashville, Chattanooga & St. Louis Railway Bon Air Branch Bonds, \$1,000 each	28,000 00
2	Duck River Valley Railroad Eight-per-cent Bonds, \$500 each	1,000 00
4	Duck River Valley Railroad Eight-per-cent Bonds, \$1,000 each	4,000 00
1	Duck River Valley Railroad First Mortgage Six-per-cent Bond	1,000 00
Total		\$581,500 00

The trustees of the Louisville & Nashville and South & North Alabama Railroad Trust Deed hold the following bonds for the Sinking Fund:

66	Louisville & Nashville Railroad Five-per-cent Trust Bonds, \$1,000 each	\$66,000 00
22	Louisville & Nashville Railroad and South & North Alabama Railroad Trust Deed Bonds, \$1,000 each	22,000 00
99	Louisville & Nashville Railroad Unified Fifty-year Four-per cent Gold Bonds, \$1,000 each	99,000 00
Total		\$187,000 00

EQUIPMENT.

At the close of the fiscal year ended June 30, 1894, the equipment consisted of twenty thousand five hundred and eighty-three cars and five hundred and sixty-three locomotives.

There have been expended for maintenance of equipment \$1,724,072.30, and in addition thereto \$274,589 of the "Deferred Renewals" (which will be expended this year) have been charged to Operating Expenses, making the total charge to Operating Expenses \$1,998,661.30. The expenditures last year on this account were \$2,445,798.28, showing a decrease of \$447,136.98.

There have been built in the various shops of the Company during the year, and charged to operating expenses, four baggage cars.

There were built in the Company's shops, and charged to construction account, two baggage cars and two express cars.

There were bought and charged to construction account fifteen hundred and twenty-five cars, consisting of seven hundred and twenty-five box, four hundred fruit, and four hundred gondolas.

This makes the equipment July 1, 1894, as follows:

CARS: At the close of the fiscal year ended June 30, 1893,

The Company owned	19,476	
ADD:		
Bought and built during the year	1,533	21,009
DEDUCT:		
Cars destroyed during the year	410	
Cars sold during the year	16	426
On hand July 1, 1894		20,583

LOCOMOTIVES: At the close of the fiscal year ended June 30, 1893,

The Company owned	548	
ADD:		
Bought during the year	15	
On hand July 1, 1894		563

For comparison, your attention is called to the following tables showing the number of locomotives, passenger and freight cars on hand at the close of each of the past nine fiscal years:

LOUISVILLE & NASHVILLE RAILROAD COMPANY.

	1885-86	1886-87	1887-88	1888-89	1889-90	1890-91	1891-92	1892-93	1893-94
Locomotives	389	389	413	428	457	477	511	534	549
Passenger cars	316	311	319	330	330	347	415	448	448
Freight cars	10,123	10,907	11,681	12,215	13,954	14,168	16,100	17,296	18,417

BIRMINGHAM MINERAL RAILROAD COMPANY.

Locomotives . . . . .	...	...	5	5	7	15	15	14	14
Passenger cars . . . . .	...	...	...	...	...	...	...	...	...
Freight cars . . . . .	...	...	561	1,280	1,287	1,277	1,260	1,252	1,241

NASHVILLE, FLORENCE & SHEFFIELD RAILWAY COMPANY.

Locomotives	2	2	2	2	2	2	2	...	...
Passenger cars	2	2	2	2	2	2	2	2	2
Freight cars	4	3	245	482	488	485	480	478	475

Your attention is called to the table below, showing the excess mileage paid on foreign cars during the last eight years:

1885-86	\$ 22,868 38
1886-87	172,000 00
1887-88	169,545 04
1888-89	113,107 26
1889-90	134,480 00
1890-91	168,636 97
1891-92	158,046 41
1892-93	90,766 01

During the past year there was a revenue derived from the mileage of Louisville & Nashville Railroad cars, in excess of that paid on foreign cars, amounting to \$22,243.30.

PASSENGER TRAFFIC.

The number of passengers carried was 5,152,130, a decrease from the number carried last year of 1,065,647, equal to 17.14 per cent.

The average fare received per passenger was 85 cents, against 80 cents last year.

The aggregate number carried one mile was 192,098,210, against 211,671,216 in the previous year, a decrease equal to 9.25 per cent.

The number of passenger train miles was 5,001,486, against 5,136,331, being a decrease of 2.62 per cent compared with last year. The net earnings per train mile were 35.913 cents, against 38.028 cents in the previous year, a decrease of 5.56 per cent.

The average number of passengers carried in each train was 35.74, against 39.14 in the previous year, a decrease of 8.69 per cent.

The average number carried in each passenger car was 10.42, against 11.28 in the previous year, a decrease of 7.62 per cent.

The average distance traveled by each passenger was 36.1 miles, against 33.0 in the previous year, and the average rate per mile received from each passenger was 2.35 cents, against 2.42 cents in the preceding year, a decrease of 2.89 per cent.

FREIGHT TRAFFIC.

The earnings derived from the freight traffic for the year show a decrease of \$2,428,388.45, the figures being *\$12,435,416.90 gross freight earnings, against \$14,863,805.35 earned in the previous year, a decrease of 16.34 per cent.

The tonnage carried was 9,433,698 tons, against 12,144,580 carried the previous year, a decrease of 2,710,882 tons, or 22.32 per cent.

The average rate received per ton was 71 cents, against 67 cents the previous year, an increase of 5.97 per cent.

The number of tons moved one mile was 1,398,679,019, against 1,595,174,080 in the previous year, a decrease of 196,495,061 or 12.32 per cent, and the average rate received per ton per mile was 0.889 of a cent, against 0.932 of a cent the previous year.

The number of freight train miles was 7,746,247, against 8,926,961 in the previous year, a decrease of 13.23 per cent.

The net earnings per train mile were 54.944 cents, against 53.551 cents in the previous year, an increase of 2.60 per cent.

The number of mixed train miles was 669,524, against 616,920 in the previous year, an increase of 8.53 per cent.

The average number of cars hauled in each train was 19.14, against 18.52 in the previous year, an increase of 3.35 per cent.

The average number of tons carried in each train was 165.38, against 166.35 in the previous year, a decrease of .58 per cent.

The average number of tons in each loaded car was 12.51, against 12.54 in the previous year, a decrease of .24 per cent.

The average number of miles that each ton was carried was 79 miles, against 72 miles in the previous year, an increase of 9.72 per cent.

*Revenue derived from freight traffic	\$12,435,416 90
Revenue derived from Company's freight	465,697 00
	<u>\$12,901,113 90</u>

PROFIT AND LOSS.

There has been transferred to this account, in addition to the amount to the credit of Income Account, the balance heretofore carried in Suspense Account, amounting at this date to \$1,075,176.12.

An examination of the assets of the Company resulted in a re-valuation of the same by the Directors, and losses, and accounts and advances, considered uncollectible, have been charged to Profit and Loss Account. A balance of advances to the South & North Alabama Railroad of \$697,669.02 remains, which will be treated in like manner.

GENERAL REMARKS.

The decrease in earnings during the month of July, 1893, rendered retrenchment necessary. The pay of officers and some of the employes was reduced twenty and ten per cent on August 1, 1893, and the pay of the remainder of the employes was reduced on September 1, 1893.

Expenditures authorized for betterments and additions to the property were suspended, wherever possible, and expenses chargeable to operating expenses reduced to a minimum.

The great reduction in expenses, by which the Company has been able to prevent tremendous losses in net earnings, clearly demonstrates that in the past the property has been maintained at a high standard of excellence, otherwise such large savings in expenditures could not have been possible.

CHESAPEAKE, OHIO & SOUTHWESTERN RAILROAD COMPANY.

Negotiations for the acquirement of the interests of Mr. C. P. Huntington in the Chesapeake, Ohio & Southwestern Railroad Company, his interests in certain other corporations, and fee-simple and leasehold titles to a large amount of valuable real estate in Louisville, Ky., Evansville, Ind., and Memphis, Tenn., were concluded November 28, 1893, by contract with the Illinois Central Railroad Company.

The following is a list of securities, claims and property purchased:

SECURITIES.		
Chesapeake, Ohio & Southwestern Railroad Company:		
Second Mortgage Bonds	\$2,369,000 00	
Equipment Trust Bonds	470,000 00	
Preferred Stock	3,511,600 00	
Capital Stock	5,714,200 00	
Unpaid Coupons from Second Mortgage Bonds	673,950 00	
Unpaid Coupons from Equipment Bonds	106,020 00	
		\$12,844,770 00
Short Route Railway Transfer Company:		
First Mortgage Bonds	\$338,000 00	
Capital Stock	402,300 00	
Unpaid Coupons from First Mortgage Bonds	84,810 00	
		825,110 00
Owensboro, Falls of Rough & Green River Railroad Company:		
First Mortgage Bonds	\$501,000 00	
Capital Stock	314,400 00	
		815,400 00
Ohio Valley Railroad Company General Consolidated First Mortgage Bonds		182,000 00
Paducah Union Depot Company:		
First Mortgage Bonds	\$50,000 00	
Capital Stock	15,000 00	
		65,000 00
		\$14,732,280 00
CLAIMS.		
Indebtedness of Chesapeake, Ohio & Southwestern Railroad Company, about	\$1,783,544 00	
Indebtedness of Short Route Railway Transfer Company, about	9,000 00	
Indebtedness of Owensboro, Falls of Rough & Green River R. R. Co., about	25,000 00	
Indebtedness of Troy & Tiptonville Railroad Company, about	7,000 00	
Indebtedness of Ohio Valley Railway Company, about	60,000 00	
Claims of Newport News & Mississippi Valley Company	42,767 34	
		1,927,311 34

TERMINAL PROPERTIES.**Real Estate and Interests in Real Estate:****In Memphis, Tennessee—**

Ownership of 31 parcels of land.

In Evansville, Indiana—

Ownership of 37 parcels, interest in 17 parcels of land and interest in a warehouse.

In Louisville, Kentucky—

Ownership of 49 parcels and interest in 46 parcels of land.

The Louisville & Nashville Railroad Company also contracted, among other things, that it would cause the Chesapeake, Ohio & Southwestern Railroad Company, or its successor, to lease, or should it acquire the property of the Chesapeake, Ohio & Southwestern Railroad Company, it will lease in perpetuity, to the Illinois Central Railroad Company, equal rights with itself to the use of that portion of the railroad extending from Fulton, Ky., to Memphis, Tenn.

The carrying out of this contract has been delayed, and may be prevented by a suit by the Commonwealth of Kentucky, in which the lower court has recently held that the charter of the Louisville & Nashville Railroad Company does not authorize it to acquire the Chesapeake, Ohio & Southwestern Railroad. Appeals have been taken from this decision and should be heard and determined in the near future.

It is believed that the suits referred to will be eventually won on appeal, and the properties acquired as the contract intends; the benefits of which will accrue to each of the contracting parties in proportion to their respective interests.

Assuming that the remaining outstanding securities and claims, with the exception of the first mortgage bonds, could be acquired upon not less favorable terms than those for which Mr. C. P. Huntington's holdings were purchased, the entire property of the Chesapeake, Ohio & Southwestern Railroad Company, with other corporations and real estate, improvements thereon, including a moderate amount to provide for expenditures on capital account, would be obtained upon an annual interest basis of not over \$800,000.

The following are the net earnings of the Chesapeake, Ohio & Southwestern Railroad Company for the periods named, as per annual reports; miscellaneous receipts, rents received from ground, trackage, etc., not included; neither is included the revenue from property acquired from Mr. C. P. Huntington and from other corporations controlled:

	Net Earnings.
1893	\$847,823 35
1892	823,159 36
1891	739,428 19
1890	856,863 73
1889	819,167 98
1888	802,033 49
1887	819,656 03

SOUTH CAROLINA RAILWAY.

Upon the acquisition in 1888 of the Georgia Central Railroad properties by the Richmond Terminal Company, it was deemed to be the policy of this Company to secure a line extending into the territory south and east of Augusta, from which it otherwise might be shut out. The South Carolina Railway appeared to offer the best opportunities and to present the best terms for consideration.

To effect such purchase, which it was thought best to make in behalf of the Company and not direct, several of the largest stockholders united in a syndicate which bought the controlling interest of the junior securities, subsequently delivering the same to the Company at cost.

Litigation between the various security holders reached a conclusion, and a sale of the property, clear of all liens, was ordered. The creation of a new corporation, to acquire the property and the issue of new securities, which were to be exchanged for existing first mortgage bonds or sold, and proceeds applied to payment of holders of first mortgage bonds of amount due them was contemplated. It was estimated that the fixed charge upon the reorganized property would be about \$400,000 per annum.

The panic intervened, the business of the South Carolina Railway fell far below expected figures, and your management did not view concluding the purchase of the property upon an interest charge of over \$300,000 per annum as safe. Negotiations with the first mortgage bondholders were entered into prior to the sale of the road under foreclosure, but their demands were too high, involving a capitalization of seven millions of dollars over and above the sum of \$1,247,440.58 already invested by the Louisville & Nashville Railroad Company. After the rejection of a final offer, made to the First Mortgage Bondholders Committee in March, 1894, the negotiation was thereupon abandoned.

TEN-FORTY ADJUSTMENT BONDS.

The Company has the right after November 1, 1894, on giving six months' notice, to pay off \$4,531,000 of ten-forty adjustment bonds (\$531,000 of which are in the Company's treasury); this right it is proposed to exercise as soon as the general business situation will admit of satisfactory negotiations, whereupon over \$9,000,000 of securities will be set free for the use of the Company.

DISCOUNT ON BONDS.

The practice, which heretofore prevailed, of charging to Cost of Road the discount on bonds sold, has been changed by creating an Unfunded Discount Account, to which is charged the discount on bonds sold; the amount is thereupon prorated for the term of the bonds, and the proportion for each year will be charged against Income Account yearly.

By order of the Board of Directors,

M. H. SMITH,
President.

AUGUST BELMONT,
Chairman

REPORT OF THE COMPTROLLER.

ACCOUNTING DEPARTMENT LOUISVILLE & NASHVILLE RAILROAD COMPANY,
LOUISVILLE, September 15, 1894.

MR. M. H. SMITH,
PRESIDENT:

I submit herewith statements showing the financial condition of the Company, and the results from operation for the year ended June 30, 1894, as shown in the following tables:

- No. I.—Income Account.
- No. II.—Profit and Loss.
- No. III.—General Balance Sheet.
- No. IV.—Bonded Debt.
- No. V.—Securities owned by the Company.
- No. VI.—Gross Earnings, Operating Expenses, and Net, by Months.
- No. VII.—Total Earnings, Operating Expenses, and Net.

Very respectfully,

CUSHMAN QUARRIER,
Comptroller.

TABLE No. I.
INCOME ACCOUNT, JUNE 30, 1894.

GROSS EARNINGS—		
From freight	\$12,901,113 90	
From passenger	4,600,961 00	
From mails	630,930 96	
From express	415,748 02	
From miscellaneous	425,583 05	
Total earnings		\$18,974,336 93
DEDUCT OPERATING EXPENSES—		
Conducting transportation	\$6,077,215 35	
Maintenance of equipment	1,936,946 12	
Maintenance of way and structure	2,044,412 37	
General expenses	1,805,211 03	
Total operating expenses 62.53 per cent		11,863,784 87
Net earnings from traffic 37.47 per cent		\$7,110,552 06
DEDUCT FIXED CHARGES—		
Interest and rents	\$5,065,277 18	
Taxes	600,358 99	
		\$5,665,636 17
DEDUCT—		
Loss on Georgia Railroad lease	\$ 24,784 08	
Loss on other roads, which is a claim against them	139,929 58	
		164,713 66
		5,830,349 83
Net earnings		\$1,280,202 23
ADD—		
Income from investments		272,288 02
Surplus for the year		\$1,552,490 25
Balance to the credit of income account June 30, 1893		1,040,911 04
Total to the credit of income account June 30, 1894		\$2,593,401 29
Disposed of as follows:		
Charged to unfunded discount account	\$ 6,521 74	
Transferred to profit and loss account	2,586,879 55	
		2,593,401 29

TABLE No. II.
PROFIT AND LOSS ACCOUNT, JUNE 30, 1894.

Credits.		
Balance to the credit of this account June 30, 1893		\$59,246 79
Interest received on Bonds in Sinking Funds		32,106 50
Credits from various sources		5,111 21
Balance transferred from Income Account as per Table No. I		2,586,879 55
Suspense Account, balance June 30, 1893	\$776,966 91	
Suspense Account, balance June 30, 1894	298,209 21	
		<u>1,075,176 12</u>
		\$3,758,520 17
Debits.		
Ten per cent Premium on Bonds redeemed for Sinking Funds		27,663 77
Discount on South & North Alabama Railroad Bonds		28,400 00
South Carolina Railway Securities		1,247,440 58
Amount reducing Sundry Stocks and Bonds to market value		163,523 81
Western & Atlantic Railroad Lease Notes		289,250 99
Non-collectible accounts charged off		333,284 78
Advances to subsidiary roads as follows:		
South & North Alabama Railroad	\$154,277 53	
South & North Alabama Railroad, on account Bills Receivable	559,785 31	
		<u>\$714,062 84</u>
Northern Division Cumberland & Ohio Railroad		238,696 04
Southern Division Cumberland & Ohio Railroad	\$ 55,378 86	
Southern Division Cumberland & Ohio Railroad, Coupon account	147,000 00	
		<u>202,378 86</u>
Nashville, Florence & Sheffield Railway Company		513,818 50
		<u>1,668,956 24</u>
		<u>\$3,758,520 17</u>

TABLE No. III.

Dr.

GENERAL BALANCE SHEET, JUNE 30, 1894.

Assets.

COST OF ROAD AND EQUIPMENT.		
Road fixtures and equipment		\$106,325,490 89
Real estate, quarry and timber lands		876,467 95
INVESTMENTS.		
BONDS OWNED—		
Ten-forty Adjustment Bonds	\$ 531,000 00	
Unified Fifty-year Four-per-cent Gold Mortgage Bonds	1,999,000 00	
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds	50,000 00	
Sloss Iron and Steel Co. First Mortgage Bonds	34,400 00	
Eureka Company First Mortgage Bonds	29,000 00	
Elkton & Guthrie Railroad First Mortgage Bonds	25,000 00	
Pensacola & Atlantic Railroad Land Grant Bonds	906,000 00	
Louisville & Nashville and Mobile & Montgomery Railway Trust Deed Bonds	267,000 00	
Southern Iron Company First Mortgage Bonds	25,000 00	
South & North Alabama Railroad Five-per-cent Consolidated Mortgage Bonds	186,000 00	
Pensacola & Atlantic Railroad First Mortgage Bonds	14,116 25	
New York & Charleston Warehouse & Steam Navigation Company Bonds	241,000 00	
De Bardeleben Coal and Iron Company	85,000 00	
Log Mountain Coal, Coke and Timber Company	128,250 00	
Sundry Railroads and other Bonds	30,242 99	
		4,551,009 24
STOCKS OWNED—		
Nashville & Decatur Railroad Stock	\$901,026 01	
Owensboro & Nashville Railway Stock	57,601 77	
Nashville, Florence & Sheffield Railway Stock	1,738 00	
Birmingham Mineral Railroad Stock	159,250 00	
Elkton & Guthrie Railroad Stock	15,175 00	
Mobile & Montgomery Railway Stock	10,543 20	
South & North Alabama Railroad Stock (common)	17,479 06	
Birmingham Rolling Mill Company Stock	34,600 00	
Export Coal Company of Pensacola Stock	10,000 00	
Sundry Railroads and other Stock	35,598 84	
		1,243,011 88
MATERIAL AND SUPPLIES—IN SHOPS AND ON LINE OF ROAD		1,233,896 70
TRUST ACCOUNTS.		
STOCKS AND BONDS HELD IN TRUST BY THE CENTRAL TRUST COMPANY OF NEW YORK, TRUSTEE, FOR TEN-FORTY ADJUSTMENT MORTGAGE BONDS AND UNIFIED FIFTY-YEAR FOUR-PER-CENT GOLD MORTGAGE BONDS, VIZ.:		
Louisville & Nashville Lebanon-Knoxville Branch Bonds	\$1,500,000 00	
Louisville & Nashville Pensacola & Selma Division Bonds	898,000 00	
Louisville & Nashville Mobile & Montgomery Division Bonds	2,677,000 00	
Louisville & Nashville Louisville, Cincinnati & Lexington Railway Company General Mortgage Bonds	3,208,000 00	
Pensacola & Atlantic Railroad Bonds	900,000 00	
Alabama Mineral Railroad Bonds	1,650,010 00	
Stock in Louisville, Cincinnati & Lexington Railway Company	3,070,959 75	
Stock in South & North Alabama Railroad Company	1,125,500 69	
Stock in Mobile & Montgomery Railway Company	3,272,906 12	
Stock in South-East & St. Louis Railway Company	294,000 00	
Stock in Pontchartrain Railroad Company	4,632 37	
Stock in Nashville, Chattanooga & St. Louis Railway Company	5,355,538 75	
Stock in Owensboro & Nashville Railway Company	250,728 48	
Stock in Henderson Bridge Company	501,000 00	
Stock in Pensacola Railroad Company	2,850 00	
Stock in Louisville Railway Transfer Company	47,062 54	
Stock in Birmingham Mineral Railroad Company	690,410 00	
Stock in Alabama Mineral Railroad Company	225,010 00	
Stock in Nashville, Florence & Sheffield Railway Company	60,600 00	
Stock in Henderson Belt Railroad Company	19,750 00	
	\$25,753,958 70	
Carried forward		114,229,876 66

TABLE No. III.
GENERAL BALANCE SHEET, JUNE 30, 1894.

Cr.

Liabilities.

CAPITAL STOCK.

Stock issued \$52,707,820 00

CAPITAL STOCK LIABILITY.

Original stock and subsequent dividends unissued \$83,861 80

Scrip issued on stock dividends 8,318 20

Unlisted capital stock 2,200,000 00

2,292,180 00

Total capital stock and stock liability \$55,000,000 00

BONDED DEBT.

General Mortgage Bonds \$11,056,000 00

Consolidated Mortgage Bonds 7,070,000 00

Ten-forty Adjustment Bonds 4,531,000 00

Unified Fifty-year Four-per-cent Gold Mortgage Bonds 14,974,000 00

Memphis, Clarksville & Louisville Railroad First Mortgage Bonds 1,996,660 00

Memphis & Ohio Railroad First Mortgage Bonds 3,500,000 00

New Orleans, Mobile & Texas Division First Mortgage Bonds 5,000,000 00

New Orleans, Mobile & Texas Division Second Mortgage Bonds 1,000,000 00

Pensacola & Atlantic Railroad First Mortgage Bonds 2,905,000 00

Pensacola Division First Mortgage Bonds 580,000 00

Cecilia Branch First Mortgage Bonds 724,000 00

Evansville, Henderson & Nashville Division First Mortgage Bonds 2,181,000 00

Louisville & Nashville and Mobile and Montgomery Railway Trust Deed Bonds 2,677,000 00

South-East & St. Louis Division First Mortgage Bonds 3,500,000 00

South-East & St. Louis Division Second Mortgage Bonds 3,000,000 00

Lebanon & Knoxville Branch Mortgage Bonds 1,500,000 00

Pensacola & Selma Division First Mortgage Bonds 1,248,000 00

Louisville, Cincinnati & Lexington Railway First Mortgage Bonds 2,850,000 00

Louisville, Cincinnati & Lexington Railway Second Mortgage Bonds 892,000 00

Louisville, Cincinnati & Lexington Railway General Mortgage Bonds 3,258,000 00

City of Louisville, Lebanon Branch Extension Bonds 1,000 00

First Mortgage Five-per-cent Fifty-year Gold Bonds 1,764,000 00

Five-per-cent Collateral Trust Gold Bonds 5,129,000 00

Kentucky Central Railway First Mortgage Four-per-cent Gold Bonds 6,523,000 00

Maysville & Lexington Railroad Northern Division Seven per-cent Bonds 400,000 00

Maysville & Lexington Railroad Southern Division Five-per-cent Bonds 219,000 00

Louisville Railway Transfer First Mortgage Bonds 286,000 00

\$88,764,660 00

DEDUCT—

Bonds included in the foregoing deposited with Central Trust Company of New York, Trustee, to secure \$4,531,000.00 Ten-forty Adjustment Bonds, viz.:

Lebanon-Knoxville Branch Bonds \$1,500,000 00

Louisville & Nashville and Mobile & Montgomery R'y Trust Deed Bonds, 2,677,000 00

Louisville, Cincinnati & Lexington Railway General Mortgage Bonds . . 3,208,000 00

Pensacola & Atlantic Railroad First Mortgage Bonds 1,000,000 00

Pensacola & Selma Division First Mortgage Bonds 898,000 00

\$9,283,000 00

Pensacola & Selma Division First Mortgage Bonds deposited with the

Farmers Loan and Trust Company of New York, Trustee, as part

collateral for Georgia Railroad Lease 350,000 00

9,633,000 00

Two-ten year Five-per-cent Gold Obligations of 1904 79,131,660 00

5,000,000 00

Carried forward \$139,131,660 00

Dr.

GENERAL BALANCE SHEET, JUNE 30, 1894.

<i>Brought forward</i>	\$25,753,958 70	\$114,229,876 66
DEDUCT—		
Cost of Lou., Cin. & Lex. Railway Stock, which having been added to Cost of Road is therefore deducted from this account	\$3,070,959 75	
Cost of Alabama Mineral Railroad Bonds and Stock, which having been added to Cost of Road is therefore deducted from this account	1,875,020 00	
Cost of Henderson Belt Railroad Stock, which having been added to Cost of Road is therefore deducted from this account	19,750 00	
Cost of Louisville Railway Transfer Stock, which having been added to Cost of Road is therefore deducted from this account	47,062 54	
Bonds included in Bonded Debt deposited with Central Trust Company of New York, Trustee, to secure \$4,531,000 Ten-forty Adjustment Bonds, which having been deducted from the Liabilities (Bonded Debt) is therefore deducted from this account, viz.:		
Lebanon & Knoxville Branch Bonds	\$1,500,000 00	
Mobile & Montgomery Division Bonds	2,677,000 00	
Pensacola & Selma Division Bonds	898,000 00	
Lou., Cin. & Lex. Railway General Mortgage Bonds	3,208,000 00	
Pensacola & Atlantic Railroad First Mortgage Bonds	1,000,000 00	
	9,283,000 00	
Pensacola & Selma Division Bonds included in Bonded Debt deposited with the Farmers Loan and Trust Company of New York, Trustee, as part collateral for Georgia Railroad Lease, which having been deducted from the Liabilities (Bonded Debt) is therefore deducted from this account	350,000 00	
	14,645,792 29	11,108,166 41
BONDS HELD IN TRUST BY FARMERS LOAN AND TRUST COMPANY OF NEW YORK, TRUSTEE, FOR FIVE-PER-CENT TRUST BONDS—		
Birmingham Mineral Railroad First Mortgage Bonds	\$3,929,000 00	
Owensboro & Nashville Railway First Mortgage Bonds	1,200,000 00	
	5,129,000 00	
BONDS HELD IN TRUST BY FARMERS LOAN AND TRUST COMPANY OF NEW YORK, TRUSTEE, FOR GEORGIA RAILROAD LEASE—		
South & North Alabama Railroad Five-per-cent Consolidated Bonds	\$250,000 00	
Louisville & Nashville Pensacola & Selma Division Bonds	350,000 00	
	600,000 00	
OBLIGATIONS HELD IN TRUST BY UNITED STATES TRUST COMPANY OF NEW YORK, TRUSTEE—		
Two-ten Five-per-cent Gold Obligations of 1904, for property purchased from C. P. Huntington and Newport News & Mississippi Valley Company	\$4,500,000 00	
Two-ten Five-per-cent Gold Obligations of 1904 for Chesapeake, Ohio & South-western re-organization and purchasing committee	500,000 00	
	5,000,000 00	
BONDS AND CASH HELD BY TRUSTEES OF SINKING FUNDS—		
Trustees Louisville, Cincinnati & Lexington Railway Sinking Fund	\$ 50,000 00	
Union Trust Company, New York, Trustee, Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds (invested)	168,022 16	
Union Trust Company, New York, Trustee, Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds (uninvested)	902 83	
Union Trust Company, New York, to redeem called Bonds of Cecilia Branch	44,000 00	
Trustees Memphis, Clarksville & Louisville Railroad (invested)	488,610 63	
Trustees Memphis, Clarksville & Louisville Railroad (uninvested)	1,106 18	
Central Trust Company of New York, Trustee (uninvested)	577 23	
	753,219 03	
LOUISVILLE & NASHVILLE AND SOUTH & NORTH ALA. R. R. TRUST DEED SINKING FUND BONDS REDEEMED,	40,000 00	
ADVANCES TO SUBSIDIARY COMPANIES.		
Nashville & Decatur Railroad Company	\$1,006,660 40	
Mobile & Montgomery Railway Company	293,907 11	
Elkton & Guthrie Railroad Company	885 54	
Mammoth Cave Railroad Company	2,129 03	
	1,303,582 08	
<i>Carried forward</i>	\$138,163,844 18	

GENERAL BALANCE SHEET, JUNE 30, 1894.

Cr.

Brought forward \$139,131,660 00

CURRENT LIABILITIES.

Bills Payable	\$ 924,995 83	
Contracts Payable	1,208,219 76	2,133,215 59
Pay Rolls for June, 1894, payable in July	\$672,995 91	
Vouchers for June, 1894, payable in July	228,608 92	
Unclaimed on Pay Rolls	188,644 27	
Unclaimed on Vouchers	81,178 91	
		1,171,428 01
Interest on Bonds due July 1st and August 1st	\$817,923 11	
Unpresented Coupons	76,193 00	
		894,116 11
Dividends Unclaimed		48,197 33
Due Sundry Railroads and Persons		218,671 92

OTHER LIABILITIES.

Due to Sundry Railroads and Persons	\$199,863 06	
Deferred Renewals of Equipment and Rails	349,589 00	549,452 06

Carried forward \$144,146,741 02

Dr. GENERAL BALANCE SHEET, JUNE 30, 1894.

Brought forward \$138,163,844 18

AVAILABLE ASSETS.

Due from Station Agents	\$ 460,827 64	
Net Traffic balances due from other companies	44,453 23	
Due from Adams and Southern Express Companies	52,651 46	
Due from United States Government, Post-office Department	164,229 25	
Due from Sundry Railroads and persons	795,456 61	
Bills Receivable	239,066 48	
Unlisted Capital Stock	2,200,000 00	
		3,956,684 67
Cash		598,219 60

OTHER ASSETS.

Due from South & North Alabama Railroad Company	\$697,669 02	
Due from Sundry Railroads and persons	118,279 26	
Bills Receivable, Land Notes	143,467 57	
Bills Receivable, other Notes	175,098 46	
		1,134,514 31
Unfunded Discount Account		293,478 26
Total		<u>\$144,146,741 02</u>

GENERAL BALANCE SHEET, JUNE 30, 1894.

Cr.

Brought forward \$144,146,741 02

Total \$144,146,741 02

TABLE No. IV.
BONDED DEBT, JUNE 30, 1894.

DESCRIPTION.	AMOUNT.	MATURITY.	Rate of Interest.	CORPUS DUE.	Amount of Interest.
City of Louisville, account Lebanon Branch Extension Bonds	\$ 1,000	October 15, 1893.	6	April 15, October 15.	.. . . .
Ten-forty Adjustment Bonds	4,531,000	November 1, 1894-1924.	6	May 1, November 1.	\$271,860
Louisville, Cincinnati & Lexington R'y First Mortgage Bonds	2,850,000	January 1, 1897.	7	January 1, July 1.	199,500
Consolidated Mortgage, Main Stem and Branches Bonds	7,070,000	April 1, 1898.	7	April 1, October 1.	494,900
Louisville Railway Transfer Company Bonds	286,000	May 1, 1901.	8	May 1, November 1.	22,880
Memphis & Ohio Railroad Sterling Mortgage Bonds	3,500,000	June 1, 1901.	7	June 1, December 1.	248,784
Memphis, Clarksv. & Louisv. Railroad Sterling Mortgage Bonds	1,996,660	August 1, 1902.	6	February 1, August 1.	120,424
a-Cecilia Branch Mortgage Bonds	724,000	March 1, 1907.	7	March 1, September 1.	49,000
Louisville, Cincinnati & Lexington R'y Second Mortgage Bonds	892,000	October 1, 1907.	7	April 1, October 1.	62,440
b-Evansville, Henderson & Nashville Div. First Mortgage Bonds	2,181,000	December 1, 1919.	6	June 1, December 1.	129,900
Pensacola Division First Mortgage Bonds	585,000	March 1, 1920.	6	March 1, September 1.	34,800
South-East & St. Louis Division First Mortgage Bonds	3,500,000	March 1, 1921.	6	March 1, September 1.	210,000
Pensacola & Atlantic Railroad First Mortgage Bonds	1,905,000	August 1, 1921.	6	February 1, August 1.	114,300
New Orleans & Mobile Division First Mortgage Bonds	5,000,000	January 1, 1930.	6	January 1, July 1.	300,000
New Orleans & Mobile Division Second Mortgage Bonds	1,000,000	January 1, 1930.	6	January 1, July 1.	60,000
c-General Mortgage Bonds	11,035,000	June 1, 1930.	6	June 1, December 1.	659,160
Louisville, Cincinnati & Lexington R'y General Mortgage Bonds, First Mortgage Five-per-cent Trust Bonds	50,000	November 1, 1931.	6	May 1, November 1.	3,000
First Mortgage Five-per-cent Fifty-year Gold Bonds	5,129,000	November 1, 1931.	5	May 1, November 1.	256,450
South-East & St. Louis Division Second Mortgage Bonds	1,764,000	May 1, 1937.	5	May 1, November 1.	88,200
Unified Fifty-year Four-per-cent Gold Mortgage Bonds	3,000,000	March 1, 1940.	3	March 1, September 1.	90,000
Kentucky Central Railway First Mortgage 4-per-cent Gold Bonds, Maysville & Lexington Railroad Northern Div., 7-per-cent Bonds, Maysville & Lexington Railroad Southern Div., 5-per-cent Bonds,	14,974,000	July 1, 1940.	4	January 1, July 1.	598,960
	6,523,000	July 1, 1987.	4	January 1, July 1.	260,920
	400,000	January 1, 1906.	7	January 1, July 1.	28,000
	219,000	June 1, 1895.	5	June 1, December 1.	10,950
	\$79,131,660				\$4,314,428

a \$4,000 of these bonds drawn for Sinking Fund due March 1, 1893, but not presented for redemption. Interest ceased on September 1, 1893. Also \$40,000 of these bonds drawn for Sinking Fund due March 1, 1894. Interest will cease September 1, 1894.

b \$1,000 of these bonds drawn for Sinking Fund due December 1, 1893, but not presented for redemption. Interest ceased on December 1, 1893.

c \$1,000 of these bonds drawn for Sinking Fund due June 1, 1893, but not presented for redemption. Interest ceased on June 1, 1893. \$69,000 of these bonds drawn for Sinking Fund due June 1, 1894. Interest ceased on June 1, 1894.

TABLE No. V.
SECURITIES, JUNE 30, 1894.

The following is a statement of the Securities owned by the Company :

BONDS.		Par Value.
531 Ten-forty Adjustment Bonds, \$1,000 each		\$ 531,000 00
1,999 Unified Fifty-year Four-per-cent Gold Mortgage Bonds, \$1,000 each		1,999,000 00
50 Louisville, Cincinnati & Lexington Railway General Mortgage Bonds, \$1,000 each		50,000 00
43 Sloss Iron and Steel Company First Mortgage Bonds, \$1,000 each		43,000 00
29 Eureka Company First Mortgage Bonds, \$1,000 each		29,000 00
50 Elkton & Guthrie Railroad Bonds, \$500 each		25,000 00
906 Pensacola & Atlantic Railroad Land Grant Bonds, \$1,000 each		906,000 00
267 Louisville & Nashville and Mobile & Montgomery Trust Deed Mort. Bonds, \$1,000 each,		267,000 00
101 De Bardeleben Coal and Iron Company 99 at \$1,000 each, and 2 at \$500 each		100,000 00
25 Southern Iron Company First Mortgage Bonds, \$1,000 each		25,000 00
186 South & North Alabama R. R. Five-per-cent Consolidated Mortgage Bonds, \$1,000 each,		186,000 00
15 Pensacola & Atlantic Railroad First Mortgage Bonds, \$1,000 each		15,000 00
1 South & North Alabama Railroad Sterling Mortgage Bond, \$1,000		1,000 00
135 Log Mountain Coal, Coke and Timber Company Bonds, \$1,000 each		135,000 00
241 New York & Charleston Warehouse and Steam Navigation Company Bonds		241,000 00
Sundry Railroad and other Bonds		29,695 94
		<u>\$4,582,695 94</u>
STOCKS.		
36,632 Shares Nashville & Decatur Railroad Company Stock, \$25 each		\$ 915,800 00
1,931 Shares Owensboro & Nashville Railway Company Stock, \$100 each		193,100 00
1,144 Shares Nashville, Florence & Sheffield Railway Company Stock, \$100 each		114,400 00
4,550 Shares Birmingham Mineral Railroad Company Stock, \$100 each		455,000 00
691 Shares Elkton & Guthrie Railroad Company Stock, \$25 each		17,275 00
111 Shares Mobile & Montgomery Railway Company Stock, \$100 each		11,100 00
290 Shares South & North Alabama Railroad Company Stock, \$100 each		29,000 00
346 Shares Birmingham Rolling Mill Company Stock, \$100 each		34,600 00
* 69,088 Shares Kentucky Central Railway Company Stock, \$100 each		6,908,800 00
750 Shares Export Coal Company of Pensacola Stock, \$100 each		75,000 00
* 600 Shares Louisville, Harrod's Creek & Westport Railroad Company Stock, \$100 each		60,000 00
63 Shares New & Old Decatur Belt Terminal & Railroad Company Stock, \$100 each		6,300 00
* 84 Shares Pontchartrain Railroad Company Stock, \$100 each		8,400 00
192 Shares South-East & St. Louis Railway Company Stock, \$100 each		19,200 00
2,058 Shares Terminal Railroad Association of St. Louis Stock, \$100 each		205,800 00
150 Shares Pensacola Railroad Company Stock, \$100 each		15,000 00
725 Shares Log Mountain Coal, Coke and Timber Company Stock, \$100 each		72,500 00
Sundry Railroad and other Stocks		66,679 85
Bills Receivable, Land Notes, etc.		1,255,254 03
		<u>10,463,208 88</u>
Total Bonds, Stocks and Bills Receivable		\$15,045,904 82
* These Stocks, having been included in cost of road, do not appear on Trial Balance under the caption of "Stocks Owned."		

In addition to the foregoing securities the Company also owns the following bonds and stocks, which are deposited with the Central Trust Company, of New York, Trustee, to secure the Louisville & Nashville 10-40 Adjustment Bonds and the Unified Fifty-year Four-per-cent Gold Mortgage Bonds, viz.:

BONDS.		Subject to 10-40 Mortgage Bonds.	Subject to Unified Mortgage Bonds.
1,500 Louisville & Nashville Lebanon-Knoxville Branch Bonds, \$1,000 each	\$1,500,000 00	\$1,500,000 00	
898 Louisville & Nashville Pensacola & Selma Division Bonds, \$1,000 each	898,000 00	898,000 00	
2,677 Louisville & Nashville Mobile & Montgomery Div. Bonds, \$1,000 each	2,677,000 00	2,677,000 00	
3,208 Louisville & Nashville Louisville, Cincinnati & Lexington Railway Company Bonds, \$1,000 each	3,208,000 00	3,208,000 00	
1,000 Pensacola & Atlantic Railroad Company Bonds, \$1,000 each	1,000,000 00	1,000,000 00	
31 Alabama Mineral Railroad Company Four-per-cent Bonds, \$100,000 each	3,100,000 00		\$3,100,000 00
50 Alabama Mineral Railroad Company Four-per-cent Bonds, \$1,000 each	50,000 00		50,000 00
Total Bonds	<u>\$12,433,000 00</u>		

Total Bonds brought forward \$12,433,000 00

		STOCKS.			Subject to 10-40	Subject to Unified
					Mortgage Bonds.	Mortgage Bonds.
15,000 Shares	Louisville, Cincinnati & Lexington Railway Company Preferred Stock, \$100 each	1,500,000 00	\$1,500,000 00	\$1,500,000 00		
10,000 Shares	Louisville, Cincinnati & Lexington Railway Company Common Stock, \$100 each	1,000,000 00	1,000,000 00	985,000 00		
20,000 Shares	South & North Alabama Railroad Company Preferred Stock, \$100 each	2,000,000 00	2,000,000 00	2,000,000 00		
11,274 Shares	South & North Alabama Railroad Company Common Stock, \$100 each	1,127,400 00	185,000 00	1,127,400 00		
29,397 Shares	Mobile & Montgomery Railway Company Stock, \$100 each	2,939,700 00	2,939,700 00	2,939,700 00		
40,000 Shares	New Orleans, Mobile & Texas Railroad Company as reorganized Stock, \$100 each	4,000,000 00	4,000,000 00	3,985,000 00		
9,800 Shares	South-East & St. Louis Railway Company Stock, \$100 each	980,000 00	980,000 00	980,000 00		
7,400 Shares	Pontchartrain Railroad Company Stock, \$100 each	740,000 00	740,000 00			
55,015 Shares	Nashville, Chattanooga & St. Louis Railway Stock, \$100 each	5,501,500 00	3,385,000 00	5,501,500 00		
9,634 Shares	Owensboro & Nashville Railway Company Stock, \$100 each	963,400 00	250,000 00	963,400 00		
5,010 Shares	Henderson Bridge Company Stock, \$100 each	501,000 00		501,000 00		
2,850 Shares	Pensacola Railroad Company Stock, \$100 each	285,000 00		285,000 00		
1,000 Shares	Louisville Railway Transfer Company Stock, \$100 each	100,000 00		100,000 00		
19,726 Shares	Birmingham Mineral Railroad Company Stock, \$100 each	1,972,600 00		1,972,600 00		
19,690 Shares	Alabama Mineral Railroad Company Stock, \$100 each	1,969,000 00		1,969,000 00		
6,150 Shares	Nashville, Florence & Sheffield Railway Company Stock, \$100 each,	615,000 00		615,000 00		
395 Shares	Henderson Belt Railroad Company Stock, \$50 each	19,750 00		19,750 00		
Total Stocks		\$26,214,350 00				
Total Bonds and Stocks		38,647,350 00				

The Company also owns \$2,000,000 South & North Alabama Railroad Company Second Mortgage Bonds, which have been deposited with the Union Trust Company of New York City, Trustee, to secure the Louisville & Nashville Railroad Company's \$2,000,000 six-per-cent Sinking Fund loan of April 1, 1880, \$40,000 of these bonds, through the operation of the said Louisville & Nashville Railroad Sinking Fund loan, have been redeemed and canceled, thus reducing the amount to \$1,960,000.

The Company also owns \$1,200,000 Owensboro & Nashville Railway Company First Mortgage Six-per-cent Bonds and \$3,929,000 Birmingham Mineral Railroad Company First Mortgage Five-per-cent Bonds, which have been deposited with the Farmers Loan and Trust Company, Trustee, to secure the issue of \$5,129,000 Louisville & Nashville Railroad Five-per-cent Trust Bonds.

The Company also owns \$250,000 South & North Alabama Railroad Company Five-per-cent Consolidated Mortgage Bonds and \$350,000 Louisville & Nashville Pensacola & Selma Division Bonds, which are deposited with the Farmers Loan and Trust Company, Trustee, as collateral for the Georgia Railroad lease.

TABLE No. VI.
GROSS EARNINGS, OPERATING EXPENSES, AND NET, BY MONTHS.

RECAPITULATION. (L. & N. SYSTEM.)

[Average for year, 2,955.98 miles.]

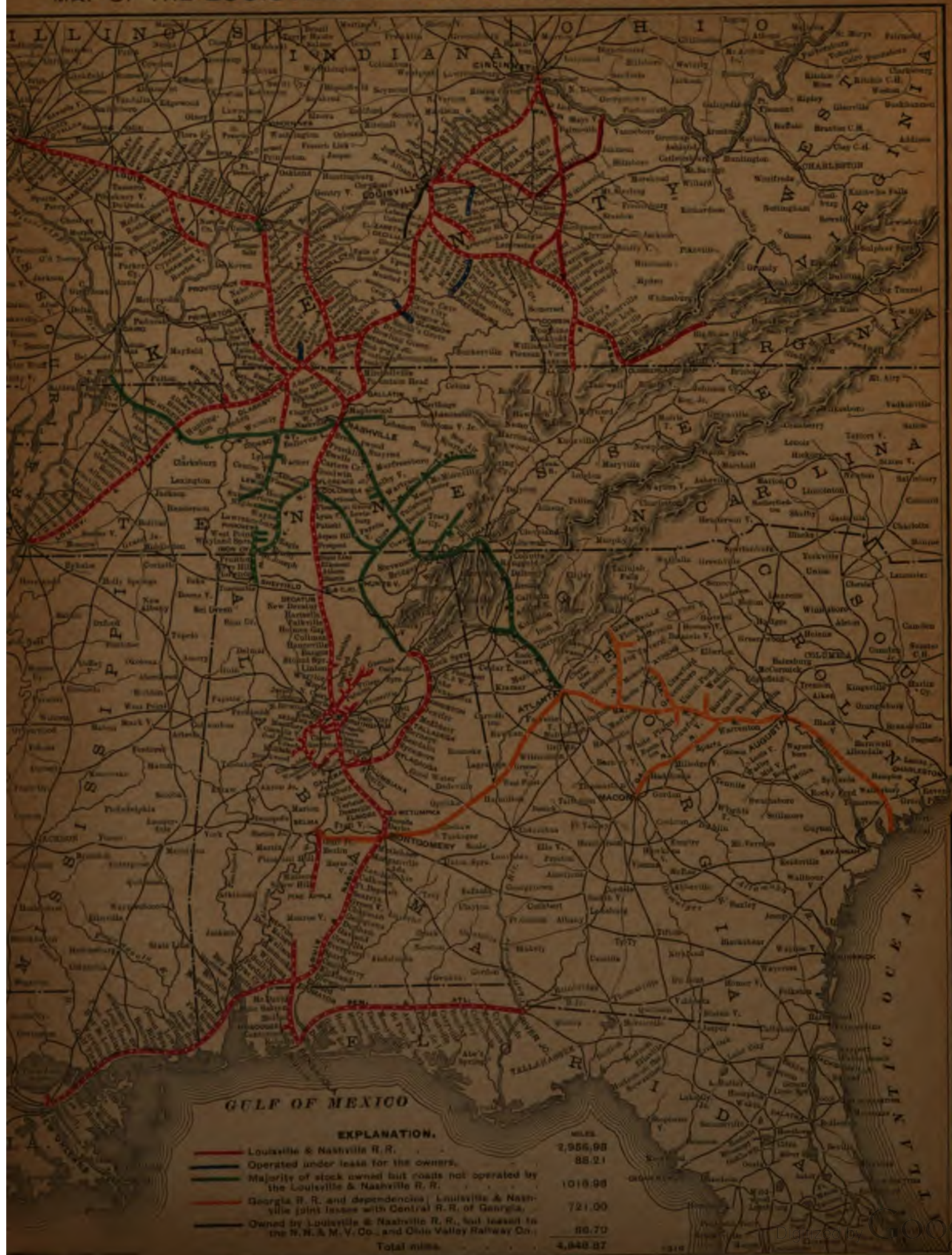
MONTHS.	Freight.	Passenger.	Mail.	Express.	Miscellaneous.	Total Earnings.	Operating Expenses.	Net Earnings.	Per cent of Exps. to Earnings.
July . . 1893.	\$1,081,917 20	\$461,260 99	\$49 895 49	\$33,471 46	\$60,664 08	\$1,687,209 22	\$1,150,454 58	\$536,754 64	68.19
Aug. . "	942,448 81	453,430 80	49,513 69	30,829 28	47,412 86	1,523,635 44	992,882 11	530,753 33	65.17
Sept. . "	948,572 13	432,316 14	49,828 85	29,053 50	26,788 51	1,486,559 13	824,067 02	662,492 11	55.43
Oct. . "	1,112,087 79	424,642 19	48,798 66	33,202 51	30,821 13	1,649,552 28	953,347 92	696,204 36	57.79
Nov. . "	1,260,473 94	353,951 36	53,511 26	37,522 49	28,658 43	1,734,117 48	980,725 61	753,391 87	56.55
Dec. . "	1,171,708 44	379,573 77	53,282 72	42,030 92	28,254 39	1,674,850 24	979,869 46	694,980 78	58.50
Jan. . . 1894.	1,161,141 65	369,754 50	54,078 68	33,371 90	36,262 88	1,654,609 61	986,835 65	667,773 96	59.64
Feb. . "	1,024 853 50	334,061 30	56,704 52	29,461 08	36,046 33	1,481,126 73	884,675 44	596,451 29	59.73
Mch. . "	1,187,758 32	344,983 45	56,548 97	34,443 03	34,755 72	1,658,489 49	1,041,630 13	616,859 36	62.81
April . "	958,323 76	323,575 78	53,172 19	35,351 35	27,485 47	1,397,908 55	957,047 74	440,860 81	68.46
May . "	1,011,683 86	352,094 94	52,318 90	43,678 65	21,693 03	1,481,469 38	1,032,033 25	449,436 13	69.66
June . "	1,040,144 50	371,315 78	53,277 03	33,331 85	46,740 22	1,544,809 38	1,080,215 96	464,593 42	69.93
Total . .	\$12,901,113 90	\$4,600,961 00	\$630,930 96	\$415,748 02	\$425,583 05	\$18,974,336 93	\$11,863,784 87	\$7,110,552 06	62.53

TABLE No. VII.
TOTAL EARNINGS, OPERATING EXPENSES, AND NET.

RECAPITULATION.

SOURCES.	Percentage of Gross Earnings.	GROSS EARNINGS.	Operating Expenses.	Net Earnings.
Passenger earnings	24.248	\$4,600,961 00	\$3,611,027 45	\$2,065,077 53
Mail earnings	3.325	630,930 96		
Express earnings	2.191	415,748 02		
Train privileges . . . . .	.150	28,465 00	
Freight earnings	67.993	12,901,113 90	8,252,757 42	4,648,356 48
Rent of passenger cars . . . . .	.132	24,943 23	
Rent of freight cars . . . . .	.892	169,399 80	
Rent of engines . . . . .	.504	95,676 52	
Rents . . . . .	.390	73,976 92	
Car detentions, storage, etc. . . . .	.092	17,345 08	
Wharfage and storage, Pensacola, Fla. . . . .	.049	9,392 80	
Bridge tolls . . . . .	.006	959 87	
Telegraph . . . . .	.022	4,125 64	
Storage, St. Louis Storage Warehouse . . . . .	.006	1,298 19	
Grand total	100.000	\$18,974,336 93	\$11,863,784 87	\$7,110,552 06

MAP OF THE LOUISVILLE & NASHVILLE RAILROAD AND DEPENDENCIES.



FORTY-FOURTH ANNUAL REPORT
OF THE
BOARD OF DIRECTORS
OF THE
LOUISVILLE & NASHVILLE
RAILROAD COMPANY
TO THE STOCKHOLDERS.

FISCAL YEAR ENDED JUNE 30, 1895.

PRESENTED AT THE MEETING HELD WEDNESDAY, OCTOBER 2, 1895.

LOUISVILLE, KY.:
PRINTED BY F. C. NUNEMACHER, RAILWAY PRINTER.
1895.

DIRECTORS
OF THE
LOUISVILLE & NASHVILLE RAILROAD COMPANY
FOR THE YEAR 1895-96.

AUGUST BELMONT, New York.

ATTILLA COX, Louisville.

E. MORA DAVISON, New York.

RUDULPH ELLIS, Philadelphia.

H. E. GARTH, New York.

J. A. HORSEY, New York.

JOHN L. HELM, Elizabethtown.

G. M. LANE, Boston.

W. MERTENS, New York.

J. D. PROBST, New York.

MILTON H. SMITH, Louisville.

J. D. TAGGART, Louisville.

JOHN I. WATERBURY, New York.

EXECUTIVE OFFICERS.

CHAIRMAN OF THE BOARD,

AUGUST BELMONT, New York.

PRESIDENT,

MILTON H. SMITH, Louisville.

FIRST VICE-PRESIDENT,

STUART R. KNOTT, Louisville.

SECOND VICE-PRESIDENT,

A. M. QUARRIER, New York.

TREASURER,

WM. W. THOMPSON, Louisville.

SECRETARY,

J. H. ELLIS, Louisville.

NEW YORK OFFICE, Equitable Building, 120 Broadway.

LOUISVILLE OFFICE, Main and Second Streets.

GENERAL OFFICERS

OF THE

Louisville & Nashville Railroad Company.

OCTOBER, 1895.

J. G. METCALFE,	General Manager,	Louisville, Ky.
— — —,	Assistant to President,	Louisville, Ky.
H. W. BRUCE,	Chief Attorney,	Louisville, Ky.
— — —,	Assistant Chief Attorney,	Louisville, Ky.
JOHN L. CADWALADER,	Attorney,	New York.
S. H. EDGAR,	Assistant Treasurer,	Louisville, Ky.
A. W. MORRISS,	Assistant Treasurer and Assistant Secretary,	New York.
F. P. HOLRAN,	Transfer Agent,	New York.
G. W. PROCTOR,	Cashier,	Louisville, Ky.
CUSHMAN QUARRIER,	Comptroller,	Louisville, Ky.
Y. VAN DEN BERG,	Traffic Manager,	Louisville, Ky.
C. B. COMPTON,	General Freight Agent,	Louisville, Ky.
C. P. ATMORE,	General Passenger Agent,	Louisville, Ky.
P. P. HUSTON,	Purchasing Agent,	Louisville, Ky.
R. MONTFORT,	Chief Engineer,	Louisville, Ky.
PULASKI LEEDS,	Superintendent of Machinery,	Louisville, Ky.
GEORGE E. EVANS,	Superintendent of Transportation,	Louisville, Ky.
C. O. BRADFORD,	Real Estate Agent,	Louisville, Ky.

DIVISION SUPERINTENDENTS.

BRENT ARNOLD,	Superintendent Terminals,	Cincinnati, O.
LEWIS HOOD,	Superintendent Kentucky Central Division,	Cincinnati, O.
C. A. DAVIES,	Superintendent Louisville, Cincinnati & Lexington Div.,	Louisville, Ky.
C. J. KLEIN,	Superintendent Terminals,	Louisville, Ky.
W. S. MARTIN,	Superintendent Louisville Division,	Louisville, Ky.
J. W. LOGSDON,	Superintendent Cumberland Valley Division,	Middlesboro, Ky.
JAMES GEDDES,	Superintendent Nashville Division,	Nashville, Tenn.
W. M. NEWBOLD,	{ Superintendent South & North Alabama Railroad and Birmingham Mineral Railroad, }	Birmingham, Ala.
W. E. KNOX,	Superintendent Alabama Mineral Railroad,	Anniston, Ala.
J. I. MCKINNEY,	Superintendent Mobile & Montgomery Division,	Montgomery, Ala.
CHARLES MARSHALL,	Superintendent New Orleans & Mobile Division,	New Orleans, La.
E. O. SALTMARSH,	Superintendent Pensacola Div. and Pen. & Atlantic Div.,	Pensacola, Fla.
L. S. ROBERTSON,	Superintendent Memphis Division,	Memphis, Tenn.
B. F. DICKSON,	Superintendent Henderson & St. Louis Division,	Evansville, Ind.
S. DUNN,	Superintendent Clarksville & Princeton Division,	Clarksville, Tenn.
E. P. BRYAN,	Superintendent Terminals,	St. Louis, Mo.
D. BRECK,	Superintendent Owensboro & Nashville Division,	Russellville, Ky.

PROCEEDINGS OF THE STOCKHOLDERS' MEETING.

The annual meeting of the stockholders of the Louisville & Nashville Railroad Company was held at the office of the Company in Louisville, Ky., at noon, on Wednesday, October 2, 1895.

On motion, Wm. R. Belknap was called to the chair, and J. H. Ellis appointed secretary.

The following persons, representing the stock of the Company, appeared, to-wit:

Sundry persons and proxies, 356,197 shares.

The Report of the Directors to the Stockholders was submitted, and on motion of J. B. Briggs, seconded by Attila Cox, it was unanimously

Resolved, That the report of the Directors to the Stockholders of this Company, and the statements of the accounts submitted therewith, for the fiscal year ending June 30, 1895, be and the same are hereby adopted, ratified, and confirmed, and that the said report and accounts be printed and circulated for the information of the stockholders.

The election of Directors following, and the persons named below having received the number of votes set opposite their respective names, as announced by the judges, to-wit:

AUGUST BELMONT,	356,197 votes.
ATTILLA COX,	356,197 votes.
E. MORA DAVISON,	356,197 votes.
RUDULPH ELLIS,	356,197 votes.
H. E. GARTH,	356,197 votes.
J. A. HORSEY,	356,197 votes.
JOHN L. HELM,	356,197 votes.
G. M. LANE,	356,197 votes.
W. MERTENS	356,197 votes.
J. D. PROBST,	356,197 votes.
MILTON H. SMITH,	356,197 votes.
J. D. TAGGART,	356,197 votes.
JOHN I. WATERBURY,	356,197 votes.

they were declared elected Directors of the Louisville & Nashville Railroad Company for the ensuing year.

The meeting then adjourned *sine die*.

WM. R. BELKNAP, *Chairman*.

J. H. ELLIS, *Secretary*.

FORTY-FOURTH ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

LOUISVILLE & NASHVILLE RAILROAD CO.

FOR THE

FISCAL YEAR ENDED JUNE 30, 1895.

TO THE STOCKHOLDERS OF THE LOUISVILLE & NASHVILLE RAILROAD COMPANY:

The Board of Directors of the Louisville & Nashville Railroad Company respectfully submit their report for the fiscal year ended June 30, 1895, as follows:

LENGTH OF ROADS.

The length of roads operated by this Company, and of those in which it is interested, at the close of the fiscal year, June 30, 1895, is as follows:

I. OWNED ABSOLUTELY OR THROUGH THE OWNERSHIP OF THE ENTIRE CAPITAL STOCK.

	Length in Miles.
Main Stem—Louisville to Nashville	185.23
Birmingham Mineral Railroad—	
North Branch—Magella to Brickyard Y	8.02
Alice Branch—Alice to Alice Mines . . . . .	.89
Fossil Branch—Alice to Fossil Mines . . . . .	.63
	9.54
South Branch—Graces to Bessemer	11.57
Muscoda Branch—Sloss to Muscoda	1.20
	12.77
Blue Creek Extension—Blue Creek Junction to Blocton Junction	27.08
Dudley Branch—Yolande to Brookwood	9.01
Pioneer Branch—Chamblee to Goethite	3.65
Huntsville Branch—Bessemer to Oneonta	49.30
Gurley Creek—Village Springs to Comptons	3.39
Limestone Spur—Gurley to Worthington's Quarry	1.18
Self Creek—Palmers to Bradford	4.30
Brown Ore Spur—Oneonta to Champion	3.50
Gate City Branch—Boyles to Trussville	17.14
Red Gap Branch—Gate City to Graces	10.28
Helena & Blocton—Tacoa to Gurnee Junction	10.04
	161.18
Alabama Mineral Railroad—Attalla to Calera	119.07
Shelby to Columbiana	5.84
	124.91
Carried forward	471.32

	Length in Miles.
<i>Brought forward</i>	471.32
Mobile & Montgomery Railway—Montgomery to Mobile	178.49
New Orleans & Mobile Railroad—Mobile to New Orleans	140.36
Pontchartrain Railroad—Pontchartrain Junction to Milneburg	5.18
Bardstown & Springfield Branch—Bardstown Junction to Bardstown	17.37
Bardstown to Springfield	20.07
	37.44
Knoxville Branch—Lebanon Junction to Jellico	171.17
Cumberland Valley Branch—Corbin to Norton	116.38
Memphis Line—Memphis Junction to Memphis	259.13
Owensboro & Nashville Railway—	
Owensboro to Adairville	83.46
Mud River Branch—Penrod to Mud River Mines	4.64
	88.10
Clarksville & Princeton Branch—Princeton Junction to Gracey	32.00
Clarksville Mineral Branch—	
Hematite to Pond	32.03
Van Leer to Cumberland Furnace	6.00
	38.03
Henderson Division—Edgefield Junction to Henderson	134.76
Madisonville Branch—Madisonville to Providence	16.10
	150.86
St. Louis Division—Evansville to East St. Louis	162.00
Shawneetown Branch—McLeansboro Junction to Shawneetown	40.70
O'Fallon Branch—O'Fallon Junction to O'Fallon	6.04
	208.74
Pensacola & Selma Division—Gulf Junction to Pineapple	35.61
Escambia Junction to Repton	29.36
	64.97
Pensacola Division—Flomaton to Pensacola	44.40
Pensacola & Atlantic Railroad—Pensacola to River Junction	160.14
Cincinnati Division—Louisville to Newport	109.70
East Louisville to South Louisville	4.13
	113.83
Lexington Branch—LaGrange to Lexington	67.00
Louisville, Harrod's Creek & Westport Railroad—Louisville to Prospect	11.16
Kentucky Central Railway—	
Covington to Livingston	149.88
Maysville to Paris	49.48
Paris Junction to Lexington	17.86
Estill Junction to Rowland	30.43
	247.65
Total miles owned	2,606.33

II. LINES OVER WHICH THIS COMPANY RUNS ITS TRAINS, THE EARNINGS OF WHICH ACCRUE TO THIS COMPANY.

Birmingham Mineral Railroad—Blocton to Blocton Junction	7.91	
Gurnee Junction to Blocton	14.41	
	<hr/>	22.32

III. OPERATED UNDER LEASE, EARNINGS IN EXCESS OF FIXED CHARGES ACCRUING TO THIS COMPANY.

Nashville & Decatur Railroad—Nashville to Decatur	119.24	
Shelby Railroad—Anchorage to Shelbyville	19.10	
	<u>138.34</u>	138.34

IV. OPERATED FOR ACCOUNT OF THE SOUTH & NORTH ALABAMA RAILROAD COMPANY.

South & North Alabama Railroad—New Decatur to Montgomery	182.67	
Wetumpka Branch—Elmore to Wetumpka	6.30	
	<hr/>	188.97
Total Louisville & Nashville System		2,955.98

	Length in Miles.
<i>Brought forward</i>	2,955.98

V. OPERATED UNDER LEASE FOR ACCOUNT OF THE FOLLOWING COMPANIES.

Southern Division Cumberland & Ohio Railroad—Cumberland & Ohio Junction to Greensburg . . .	30.90	
Northern Division Cumberland & Ohio Railroad—Shelbyville to Bloomfield	26.72	
Glasgow Railroad—Glasgow Junction to Glasgow	10.50	
Elkton & Guthrie Railroad—Elkton Junction to Elkton	10.92	
Mammoth Cave Railroad—Glasgow Junction to Mammoth Cave	8.35	
Grand Avenue Junction to Grand Avenue Cave . . . . .	.82	
	9.17	88.21

VI. LINES IN WHICH THIS COMPANY IS INTERESTED AS OWNER OF A MAJORITY OF THE CAPITAL STOCK IN THE COMPANY THAT OPERATES THE ROAD.

Nashville, Chattanooga & St. Louis Railway	902.09	
Nashville, Florence & Sheffield Railway—		
Columbia to Sheffield	82.13	
West Point Branch—Iron City to Pinkney	11.78	
Napier Branch—Summertown to Napier	10.92	
	104.83	
Henderson Bridge and Connecting Track	10.06	1,016.98

VII. LINES IN WHICH THIS COMPANY IS INTERESTED AS JOINT LESSEE WITH THE CENTRAL RAILROAD COMPANY OF GEORGIA.

Georgia Railroad and Dependencies	721.00
---	--------

VIII. LINES OWNED BUT NOT OPERATED BY THIS COMPANY.

Cecilia Branch, Louisville to Cecilia Junction (leased to Chesapeake, Ohio & Southwestern Railway at \$60,000 per annum)	46.00	
Clarksville & Princeton Branch, from Gracey to Princeton (leased to Ohio Valley Railroad Company at \$12,039.70 per annum)	20.70	66.70
Total Mileage		4,848.87

The earnings and expenses in this report are based on an average of 2,955.98 miles, as shown in Table No. VI. Attention is called to the tables submitted herewith for details of the year's business:

- | | |
|--|--|
| I. Income Account, Fixed Charges, etc. | V. Securities Owned by the Company. |
| II. Profit and Loss Account. | VI. Gross Earnings, Operating Expenses and Net, by months. |
| III. General Balance Sheet. | VII. Gross Earnings, Operating Expenses and Net, summarized. |
| IV. Bonded Debt, in Detail. | |

CAPITAL STOCK.

There has been no change in the Capital Stock this year, the amount is \$55,000,000. Included in this amount is \$2,200,000 held in the treasury. The additional Increase of \$5,000,000, which was authorized November 8, 1893, has not been issued.

BONDED DEBT.

The bonded debt as per Table No. IV last year's report, was \$79,131,660

BONDS ISSUED—

Unified Fifty-year Four-per-cent Gold Bonds	350,000
Kentucky Central Railway First Mortgage Four-per-cent Gold Bonds	219,000
Total Bonds issued and assumed	79,700,660

<i>Brought forward</i>		\$79,700,660
DEDUCT BONDS REDEEMED AND CANCELED DURING THE YEAR—		
General Mortgage Bonds canceled for the Sinking Fund	\$220,000	
Cecilia Branch Bonds canceled for the Sinking Fund	44,000	
Evansville, Henderson & Nashville Division Bonds canceled for the Sinking Fund	24,000	
Pensacola & Atlantic Railroad Bonds canceled for the Sinking Fund	35,000	
Maysville & Lexington Railroad, Southern Division Bonds redeemed at maturity	219,000	
		542,000
Outstanding June 30, 1895		\$79,158,660
Showing an increase over last year in the bonded debt of		27,000

The increase in the bonded indebtedness is accounted for as follows:

Unified Fifty-year Four per-cent Gold Bonds issued for the following purposes:		
For miscellaneous betterments, such as side-tracks, station buildings, ballast, renewals of bridges and equipment	\$ 24,000	
For Bonds redeemed for Sinking Funds	326,000	
		\$350,000
Kentucky Central Railway First Mortgage Four-per-cent Gold Bonds	219,000	
		569,000
FROM WHICH DEDUCT—		
Bonds redeemed during the year		542,000
Increase of bonded debt		\$27,000

GENERAL RESULTS.

The general results from operations for the year were:

Gross Earnings	\$19,275,993 79
Operating Expenses, 63.69 per cent	12,277,773 03
Net Earnings from Traffic, 36.31 per cent	\$6,998,220 76
FROM WHICH DEDUCT CHARGES AGAINST INCOME—	
Interest, Rents, etc.	\$5,013,738 10
Taxes	569,326 37
	5,583,064 47
Net Earnings	\$1,415,156 29
To WHICH ADD—Income from Investments	363,273 42
	\$1,778,429 71
FROM WHICH DEDUCT—	
Loss on Georgia Railroad	\$108,263 58
Loss on other roads	90,024 87
Sinking Fund Payments	\$587,264 62
Less market value of securities received for a part thereof	412,264 62
	175,000 00
Unfunded Discount	6,887 25
Balance of advances to South & North Alabama Railroad Company	697,669 02
	\$1,077,844 72
Net Income for the year	\$700,584 99

The average length of roads operated was 2,955.98, the same as the previous year:

	1894-5.	1893-4.
Gross Earnings, per mile	\$6,521 01	\$6,418 97
Operating Expenses, per mile	4,153 53	4,013 48
Net Earnings, per mile	\$2,367 48	\$2,405 49

The growth of traffic is shown by the following table :

Years.	Average Miles Operated.	Gross Earnings.	Operating Expenses.	Net Earnings.	Gross Earnings per Mile.	Operating Expenses, per Mile.	Net Earnings, per Mile.	Per cent of Expenses to Earnings.
1879-80 . . .	1,190.58	\$7,394,515 93	\$4,173,302 64	\$3,221,213 29	\$6,210 85	\$3,505 27	\$2,705 58	56.44
1880-81 . . .	1,768.86	10,812,935 85	6,631,864 37	4,181,071 48	6,112 94	3,749 23	2,363 71	61.33
1881-82 . . .	1,912.25	11,911,439 67	7,371,011 93	4,540,427 74	6,229 02	3,854 63	2,374 39	61.88
1882-83 . . .	2,014.45	13,144,714 83	8,015,737 92	5,128,976 91	6,525 21	3,979 12	2,546 09	60.98
1883-84 . . .	1,997.55	14,261,386 05	8,823,782 56	5,437,603 49	7,139 44	4,417 30	2,722 14	61.87
1884-85 . . .	1,989.21	13,847,143 86	8,104,789 56	5,742,354 30	6,961 13	4,074 38	2,886 75	58.53
1885-86 . . .	1,943.52	13,076,795 34	8,126,506 64	4,950,288 70	6,728 41	4,181 33	2,547 08	62.15
1886-87 . . .	1,943.52	14,979,992 30	8,953,502 06	6,026,490 24	7,707 66	4,606 85	3,100 81	59.77
1887-88 . . .	2,027.00	16,360,241 44	10,267,535 11	6,092,706 33	8,071 16	5,065 39	3,005 77	62.76
1888-89 . . .	2,161.64	16,599,396 24	10,326,085 57	6,273 310 67	7,679 08	4,776 97	2,902 11	62.21
1889-90 . . .	2,198.25	18,846,003 92	11,419,092 47	7,426,911 45	8,573 19	5,194 63	3,378 56	60.59
1890-91 . . .	2,250.32	19,220,728 62	12,058,444 59	7,162,284 03	8,541 33	5,358 54	3,182 79	62.74
1891-92 . . .	2,857.91	21,235,721 55	13,792,122 47	7,443,599 08	7,430 50	4,825 94	2,604 56	64.95
1892-93 . . .	2,942.03	22,403,639 25	14,382,642 45	8,020,996 80	7,615 03	4,888 68	2,726 35	64.20
1893-94 . . .	2,955.98	18,974,336 93	11,863,784 87	7,110,552 06	6,418 97	4,013 48	2,405 49	62.53
1894-95 . . .	2,955.98	19,275,993 79	12,277,773 03	6,998,220 76	6,521 01	4,153 53	2,367 48	63.69

IMPROVEMENT ACCOUNT.

The following expenditures made during the year for equipment, improvements and additions to the several properties which heretofore were charged to Construction Account, have been charged to Operating Expenses, and are as follows :

Final payment on fruit cars	\$ 1,500 00
Air Brake Equipment, applied to locomotives	56,773 44
Air Brake Equipment and Automatic Couplers, applied to refrigerator cars	4,515 57
Right of way	3,598 74
Bridges	10,974 89
Fences and safety gates	25,384 70
Tunnels	10,932 36
Ballast	25,495 87
Buildings	34,720 96
Shop machinery	525 00
Side tracks	50,077 66
Filling trestles	809 50
RAILS—Value of the difference in weight of 70 lb. steel rails replacing rails of lighter weight	41,997 00
Real estate	3,999 59
Additional telegraph line, Mobile to New Orleans	2,500 00
Wharf improvements, Mobile, Ala.	1 682 58
Fire protection—Montgomery, Ala.	655 39
New Orleans, La.	1,636 71
Pensacola, Fla.	794 85
East St. Louis, Ill.	565 95
	<hr/>
	3,652 90
Sundries	442 79
	<hr/>
Total	\$279,583 55

CONSTRUCTION ACCOUNT.**SIDE TRACKS—****NASHVILLE & DECATUR RAILROAD.**

Wales	\$724 14
Prospect	660 59
Thompson	432 08
Cleburne	94 24
Buford	207 50
Lynnville	450 59
Godwin	269 84
Callendar	23 01
Pleasant Grove	42 06
Reynolds	181 51
Lesters	103 51
State Line, Ala.	125 62
	<hr/>
	\$3,314 69

BUILDINGS—

New depot at Callendar, Tenn.,	127 92
--	--------

RAILS—

Value of the difference in weight of 70-lb. steel rails replacing rails of lighter weight	7,578 78
---	----------

Fencing on line of road	253 96
-----------------------------------	--------

Total	<hr/>
	\$11,275 35

COST OF ROAD AND EQUIPMENT.

The Cost of road June 30, 1894, was \$106,325.490 89

TO WHICH ADD THE FOLLOWING—

Henderson Belt Railroad	\$1,248 01
Clarksville Mineral	17,438 19
New and Old Decatur Belt & Terminal Railroad	16 10
	<hr/>
	\$18,702 30
	<hr/>
	\$106,344,193 19

FROM WHICH DEDUCT—

Pensacola & Selma Railroad—Land sold and credited to this account	155 00
---	--------

Total cost to June 30, 1895, as per Table No. III	<hr/>
	\$106,344,038 19

STEEL AND IRON RAILS.

At the close of the fiscal year ended June 30, 1894, there were in tracks:

Steel rails	2,766.55
Iron rails	167.11
	<hr/>
	2,933.66 miles

During the year there were 136.72 miles of track relaid with new steel rails, to replace old steel, at a cost of \$199,683.71. Of this amount there was charged to Operating Expenses \$192,104.93; of which \$40,254.01 represents the difference in weight of rails, replaced by heavier rails, the cost of which in previous years has been charged to Construction Account, and \$7,578.78 has been charged to Construction Account Nashville & Decatur Railroad.

17.07 miles of old steel from main lines was used to replace old iron on branches.

There are in track, therefore, on June 30, 1895:

Steel rails	2,783.62
Iron rails	150.04
	<hr/>
Total	2,933.66 miles

Of the new steel laid .09 mile is of the 60-lb. pattern, and .06 mile of the 68-lb. pattern, and 136.57 miles of the 70-lb. pattern.

INTEREST CHARGES FOR 1895-96.

The interest charges against Income Account are estimated as follows:

	Bonds Outstanding.	Amount of Interest.
Consolidated Mortgage Bonds, seven per cent	\$7,070,000	\$494,900
City of Louisville, Lebanon Branch Extension Bonds, six per cent, due October 15, 1893	1,000	. . . . .
General Mortgage Bonds, six per cent	10,836,000	646,320
Memphis & Ohio Railroad Sterling Mortgage Bonds, seven per cent	3,500,000	248,784
Memphis, Clarksville & Louisville Railroad Sterling Mortgage Bonds, six per cent	1,996,660	120,424
Cecilia Branch First Mortgage Bonds, seven per cent	680,000	46,200
Evansville, Henderson & Nashville Division First Mortgage Bonds, six per cent	2,157,000	127,800
Pensacola Division First Mortgage Bonds, six per cent	580,000	34,800
Lebanon-Knoxville Branch Bonds, six per cent	1,500,000	90,000
Southeast & St. Louis Division First Mortgage Bonds, six per cent	3,500,000	210,000
Southeast & St. Louis Division Second Mortgage Bonds, three per cent	3,000,000	90,000
Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds, six per cent	1,960,000	117,600
Louisville & Nashville and Mobile & Montgomery Railway Trust Deed Bonds, six per cent	2,677,000	160,620
New Orleans & Mobile Division First Mortgage Bonds, six per cent	5,000,000	300,000
New Orleans & Mobile Division Second Mortgage Bonds, six per cent	1,000,000	60,000
Ten-forty Adjustment Bonds, six per cent	4,531,000	271,860
Louisville, Cincinnati & Lexington Railway First Mortgage Bonds, seven per cent	2,850,000	199,500
Louisville, Cincinnati & Lexington Railway Second Mortgage Bonds, seven per cent	892,000	62,440
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds, six per cent	3,258,000	195,480
Pensacola & Selma Division Bonds, six per cent	1,248,000	74,880
Pensacola & Atlantic Railroad First Mortgage Bonds, six per cent	2,870,000	172,200
Five-per-cent First Mortgage Trust Gold Bonds	5,129,000	256,450
First Mortgage Five-per-cent Fifty-year Gold Bonds	1,764,000	88,200
Unified Fifty-year Four-per-cent Gold Bonds	15,324,000	612,960
Kentucky Central Railway First Mortgage Four-per-cent Gold Bonds	6,742,000	269,680
Maysville & Lexington Railroad Northern Division Seven-per-cent Bonds	400,000	28,000
Louisville Railway Transfer First Mortgage Bonds, eight per cent	286,000	22,880
	\$90,751,660	5,001,978

FROM WHICH DEDUCT BONDS INCLUDED IN ABOVE; DEPOSITED WITH TRUSTEES.

To secure Ten-forty Adjustment Bonds—

Lebanon-Knoxville Branch Bonds, six per cent	\$1,500,000	90,000
Louisville & Nashville and Mobile & Montgomery Railway Trust Deed Bonds, six per cent	2,677,000	160,620
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds, six per cent	3,208,000	192,480
Pensacola & Atlantic Railroad First Mortgage Bonds, six per cent	1,000,000	60,000
Pensacola & Selma Division First Mortgage Bonds, six per cent	898,000	53,880
Pensacola & Selma Division First Mortgage Bonds, six per cent (also as part collateral for Georgia Railroad Lease)	350,000	21,000
	\$9,633,000	\$577,980

\$81,118,660 \$4,423,998

From which deduct to secure Louisville & Nashville and South & North Alabama Railroad

Trust Deed Bonds for \$1,960,000, included in foregoing	1,960,000	117,600
---	-----------	---------

Total Louisville & Nashville Railroad Company \$79,158,660 \$4,306,398

Nashville & Decatur Railroad First Mortgage Bonds, seven per cent	\$2,100,000	\$147,000
Nashville & Decatur Railroad Stock, guaranteed six per cent	2,322,582	139,924
South & North Alabama Railroad Sterling Mortgage Bonds, six per cent	3,918,800	236,302
South & North Alabama Railroad Second Mortgage Bonds, six per cent	2,000,000	120,000
South & North Alabama Railroad Consolidated Mortgage Bonds, five per cent	3,958,000	197,900
Owensboro & Nashville Railway First Mortgage Bonds, six per cent	1,200,000	72,000
Shelby Railroad Rent	15,000	15,000
	\$15,514,382	\$928,126

Louisville & Nashville Railroad mortgage debt and interest	\$79,158,660	\$4,306,398
Mortgage debt, interest and rent of other Companies in the system	15,514,382	928,126
	\$94,673,042	\$5,234,524

	Amount of Interest.
<i>Brought forward</i>	\$5,234.524
FROM WHICH DEDUCT:	
Interest on Louisville & Nashville Railroad Bonds in the Treasury	\$138,060
Interest on Owensboro & Nashville Railway First Mortgage Bonds in the Trust	72,000
Rent of Cecilia Branch	60,000
Rent of portion of Clarksville & Princeton Branch	12,040
	<hr/> 282,100
Total estimated interest charges for 1894-95	<hr/> <u>\$4,952.424</u>

PAYMENTS ON ACCOUNT OF SINKING FUNDS, 1895-96.

Memphis, Clarksville & Louisville Railroad Sterling	August 1, 1895	\$ 37,133
Memphis, Clarksville & Louisville Railroad Sterling	February 1, 1896	12,833
Pensacola Division	September 1, 1895	8,000
Louisville & Nashville and South & North Ala. R. R. Trust Deed	October 1, 1895	20,000
Evansville, Henderson & Nashville Division	December 1, 1895	44,000
Louisville, Cincinnati & Lexington Railway First Mortgage	January 1, 1896	50,000
Louisville, Cincinnati & Lexington Railway Second Mortgage	January 1, 1896	10,000
Pensacola & Atlantic Railroad	February 1, 1896	41,020
Cecilia Branch	March 1, 1896	40,000
General Mortgage	June 1, 1896	248,253
		<hr/> \$511,239
South & North Alabama Railroad Sterling	November 1, 1895	42,486
South & North Alabama Railroad Sterling	December 1, 1895	53,460
South & North Alabama Railroad Sterling	May 1, 1896	42,486
Nashville & Decatur Railroad	April 1, 1896	19,000
		<hr/> 157,432
Total		<hr/> <u>\$668,671</u>

GUARANTEES FOR OUTSIDE COMPANIES, ETC., 1895-96.

Joint lease of the Georgia Railroad with the Central Railroad Company of Georgia—	
Total yearly rent under lease	\$600,000
Louisville & Nashville Railroad Company's liability for half rent	300,000

By reference to the general results statement it will be seen that there was a loss on this lease for the past year of \$108,263.58.

Southern Division Cumberland & Ohio Railroad, guaranteed interest	\$ 21,000
Nashville, Florence & Sheffield Railway, \$2,096,000 of five-per-cent bonds, guaranteed interest	104,800

BONDS IN THE SINKING FUNDS.

The trustees of the Memphis, Clarksville & Louisville Railroad Company First Mortgage hold the following bonds for the Sinking Fund:

117 Louisville & Nashville Railroad Five-per-cent Trust Bonds, \$1,000 each	\$117,000 00
18 Louisville & Nashville Railroad General Mortgage Bonds, Six-per-cent, \$1,000 each	18,000 00
11 Pensacola & Atlantic Railroad First Mortgage Bonds, Six-per-cent, \$1,000 each	11,000 00
14 Nashville, Chattanooga & St. Louis Railway First Mortgage Tracy City Branch Bonds, Six-per-cent, \$1,000 each	14,000 00
30 Nashville, Chattanooga & St. Louis Railway Bon Air Branch Bonds, Six-per-cent, \$1,000 each	30,000 00
93 Nashville, Florence & Sheffield Railway First Mortgage Bonds, Five-per-cent, \$1,000 each	93,000 00
58 South & North Alabama Railroad Five-per-cent Consolidated Mortgage Bonds, \$1,000 each	58,000 00
208 Louisville & Nashville Railroad Unified Fifty-year Four-per-cent Gold Bonds, \$1,000 each	208,000 00
64 Nashville, Chattanooga & St. Louis Railway First Consolidated Mortgage Bonds, Five-per cent, \$1,000 each	64,000 00
Total	<hr/> \$613,000 00

The trustees of the South & North Alabama Railroad Company Sterling Mortgage hold the following bonds for the Sinking Fund :

30 South & North Alabama Railroad Sterling Mortgage Bond, six per cent	\$ 30,000 00
235 Louisville & Nashville Railroad Five-per-cent Trust Bonds, \$1,000 each	235,000 00
5 Louisville & Nashville Railroad, Pensacola Division, First Mortgage Bonds, six per cent, \$1,000 each	5,000 00
43 Louisville & Nashville Railroad General Mortgage Bonds, six per cent, \$1,000 each	43,000 00
191 Pensacola & Atlantic Railroad First Mortgage Bonds, six per cent, \$1,000 each	191,000 00
Total	\$504,000 00

The trustees of the Nashville & Decatur Railroad Company hold the following bonds for its First Mortgage Sinking Fund :

200 Nashville & Decatur Railroad First Mortgage Bonds, seven per cent, \$1,000 each	\$200,000 00
91 Louisville & Nashville Railroad, Pensacola Division First Mortgage Bonds, six per cent, \$1,000 each	91,000 00
90 Nashville, Chattanooga & St. Louis Railway First Mortgage Seven-per-cent Bonds, \$1,000 each	90,000 00
69 Nashville, Chattanooga & St. Louis Railway First Consolidated Mortgage Bonds, five per cent, \$1,000 each	69,000 00
3 Nashville, Chattanooga & St. Louis Railway, Lebanon Branch Bonds, six per cent, \$1,000 each	3,000 00
70 Tennessee State Three-per-cent Bonds, \$1,000 each	70,000 00
29 South & North Alabama Railroad Five-per-cent Consolidated Mortgage Bonds, \$1,000	29,000 00
4 Nashville Corporation Bonds, six per cent, \$1,000 each	4,000 00
36 Nashville Corporation Bonds, six per cent, \$500 each	18,000 00
1 Nashville Corporation Bond, six per cent	300 00
2 Nashville Corporation Bonds, six per cent, \$100 each	200 00
2 Nashville Water-Works Bonds, six per cent, \$500 each	1,000 00
13 Louisville & Nashville Railroad Unified Fifty-year Four-per-cent Gold Bonds, \$1,000 each	13,000 00
2 Louisville & Nashville Railroad Consolidated Mortgage Bonds, seven per cent, \$1,000 each	2,000 00
28 Nashville, Chattanooga & St. Louis Railway, Bon Air Branch Bonds, six per cent, \$1,000 each	28,000 00
2 Duck River Valley Railroad Eight-per-cent Bonds, \$500 each	1,000 00
4 Duck River Valley Railroad Eight-per-cent Bonds, \$1,000 each	4,000 00
3 Duck River Valley Railroad First Mortgage Six-per-cent Bonds, \$1,000 each	3,000 00
Total	\$626,500 00

The trustees of the Louisville & Nashville and South & North Alabama Railroad Trust Deed hold the following bonds for the Sinking Fund :

66 Louisville & Nashville Railroad Five-per-cent Trust Bonds, \$1,000 each	\$66,000 00
27 Louisville & Nashville R. R. and South & North Alabama R. R. Trust Deed Bonds, six per cent, \$1,000 each	27,000 00
131 Louisville & Nashville Railroad Unified Fifty-year Four-per-cent Gold Bonds, \$1,000 each	131,000 00
Total	\$224,000 00

EQUIPMENT.

The equipment at the close of the year ended June 30, 1895, consisted of twenty thousand, one hundred and four cars, and five hundred and forty locomotives, as will be seen by the following statement :

There has been charged to Operating Expenses for the year ended June 30, 1895, the sum of \$2,135,392.68 for account of building and maintenance of equipment. This amount is made up \$1,632,413.35 expended during the year, and \$502,979.33 of deferred renewals, which will be expended during the succeeding year. The above charge shows an increase of \$136,731.38 in excess of the charge for the year ended June 30, 1894.

There were built in the Company's shops, and charged to Operating Expenses, twenty-two cars, consisting of three baggage, one postal, three express, two box, ten flat, one gondola drop bottom, one coke, one furniture car, and one pile driver.

This makes the equipment July 1, 1895, as follows:

CARS: At the close of the fiscal year ended June 30, 1894,

The Company owned	20,583	
To WHICH ADD:		
Bought and built during the year	23	20,606
FROM WHICH DEDUCT:		
Cars destroyed during the year:		
Passenger cars	13	
Freight cars	488	
Pile driver	1	502
On hand July 1, 1895		20,104

LOCOMOTIVES: At the close of the fiscal year ended June 30, 1894,

The Company owned	563	
FROM WHICH DEDUCT:		
Condemned during the year	23	
On hand July 1, 1895		540

In order to perpetuate the equipment, there has been purchased, to be delivered subsequent to July 1, 1895, the following equipment:

Locomotives	15
Cars	950

The cost of which has been charged to Repairs during the year 1894-95.

For comparison, your attention is called to the following tables, showing the number of locomotives, passenger and freight cars on hand at the close of each of the past ten fiscal years:

LOUISVILLE & NASHVILLE RAILROAD COMPANY.

	1885-86	1886-87	1887-88	1888-89	1889-90	1890-91	1891-92	1892-93	1893-94	1894-95
Locomotives	389	389	413	428	457	477	511	534	549	526
Passenger cars	316	311	319	330	330	347	415	448	448	433
Freight cars	10,123	10,907	11,681	12,215	13,954	14,168	16,100	17,296	18,417	17,972

BIRMINGHAM MINERAL RAILROAD COMPANY.

Locomotives			5	5	7	15	15	14	14	14
Passenger cars										
Freight cars			561	1,280	1,287	1,277	1,260	1,252	1,241	1,226

NASHVILLE, FLORENCE & SHEFFIELD RAILWAY COMPANY.

Locomotives	2	2	2	2	2	2	2			
Passenger cars	2	2	2	2	2	2	2	2	2	2
Freight cars	4	3	245	482	488	485	480	478	475	471

Your attention is called to the table below, showing the *excess* mileage paid and received on foreign cars during the last ten years:

	Excess Paid.	Excess Received.
1885-86	\$ 22,868 38	
1886-87	172,000 00	
1887-88	169,545 04	
1888-89	113,107 26	
1889-90	134,480 00	
1890-91	168,636 97	
1891-92	158,046 41	
1892-93	90,766 01	
1893-94		\$22,243 30
1894-95	5,206 52	

PASSENGER AND FREIGHT TRAFFIC STATISTICS.

TOTALS AND AVERAGES FOR THE YEAR 1894-95 COMPARED WITH THE PREVIOUS YEAR.

No.	PASSENGER TRAFFIC.	1894-95.	1893-94.	PER CENT OF		No.
				Increase.	Decrease.	
1	Number of miles run by trains	5,182,223	5,136,714	.8860	. . . .	1
2	Number of miles run by cars	26,442,393	26,217,449	.8580	. . . .	2
3	Number of cars in each train	5.10	5.10	. . . .	. . . .	3
4	Number of passengers carried	5,095,574	5,152,410	. . . .	1.1031	4
5	Number of miles each passenger was carried	36.40	36.10	.8310	. . . .	5
6	Number of passengers carried one mile	185,649,064	192,098,210	. . . .	3.3572	6
7	Number of passengers carried in each train	35.77	37.41	. . . .	4.3839	7
8	Number of passengers carried in each car	10.02	10.42	. . . .	3.8388	8
9	Earnings from passenger trains (a)	\$ 5,443,083.59	\$ 5,676,104.98	. . . .	4.1053	9
10	Expenses of passenger trains	\$ 3,613,524.10	\$ 3,611,027.45	.0692	. . . .	10
11	Net earnings from passenger trains	\$ 1,829,559.49	\$ 2,065,077.53	. . . .	11.4048	11
12	Earnings per mile of road	\$ 1,841.38	\$ 1,920.21	. . . .	4.1053	12
13	Expenses per mile of road	\$ 1,222.45	\$ 1,221.60	.0696	. . . .	13
14	Net earnings per mile of road	\$ 618.93	\$ 698.61	. . . .	11.4055	14
15	Earnings per train mile	\$ 1.05,034	\$ 1.10,501	. . . .	4.9475	15
16	Expenses per train mile cents	69.730	70.299	. . . .	.8108	16
17	Net earnings per train mile cents	35.304	40.202	. . . .	12.1835	17
18	Earnings per car mile cents	20.585	21.650	. . . .	4.9423	18
19	Expenses per car mile cents	13.666	13.773	. . . .	.7769	19
20	Net earnings per car mile cents	6.919	7.877	. . . .	12.1620	20
21	Earnings per passenger (b) cents	85.76	89.30	. . . .	3.9642	21
22	Earnings per passenger per mile cents	2.35	2.40	. . . .	2.0833	22
23	Percentage of expenses to passenger earnings	66.39	63.62	4.3540	. . . .	23
FREIGHT TRAFFIC.						
24	Number of miles run by trains	8,590,465	8,079,480	6.3245	. . . .	24
25	Number of miles run by cars, loaded	120,292,413	111,812,306	7.5842	. . . .	25
26	Number of miles run by cars, empty	52,903,517	50,088,827	5.6194	. . . .	26
27	Number of miles run by cars, loaded and empty	173,195,930	161,901,133	6.9763	. . . .	27
28	Number of cars loaded in each train	14.00	13.84	1.1561	. . . .	28
29	Number of cars empty in each train	6.16	6.20	. . . .	.6452	29
30	Number of cars loaded and empty in each train	20.16	20.04	.5988	. . . .	30
31	Percentage of loaded car mileage to total car mileage	69.45	69.06	.5647	. . . .	31
32	Percentage of empty car mileage to total car mileage	30.55	30.94	. . . .	1.2605	32
33	Number of miles run per car, per day	24.90	23.40	6.4103	. . . .	33
34	Number of tons carried (c)	10,630,749	9,433,698	12.6891	. . . .	34
35	Number of tons carried one mile	1,528,712,676	1,398,679,019	9.2969	. . . .	35
36	Number of miles each ton was carried	79	79	. . . .	. . . .	36
37	Number of tons in each loaded car	12.71	12.51	1.5987	. . . .	37
38	Number of tons in each loaded and empty car	8.83	8.64	2.1991	. . . .	38
39	Number of tons in each train	177.95	173.12	2.7900	. . . .	39
40	Earnings from freight trains (c)	\$ 12,933,251.39	\$ 12,435,416.90	4.0034	. . . .	40
41	Expenses of freight trains	\$ 8,664,248.93	\$ 8,252,757.42	4.9861	. . . .	41
42	Net earnings from freight trains	\$ 4,269,002.46	\$ 4,182,659.48	2.0643	. . . .	42
43	Earnings per mile of road	\$ 4,375.28	\$ 4,206.87	4.0032	. . . .	43
44	Expenses per mile of road	\$ 2,931.09	\$ 2,791.89	4.9862	. . . .	44
45	Net earnings per mile of road	\$ 1,444.19	\$ 1,414.98	2.0643	. . . .	45
46	Earnings per train mile	\$ 1.50,554	\$ 1.53,914	. . . .	2.1830	46
47	Expenses per train mile	\$ 1.00,859	\$ 1.02,145	. . . .	1.2590	47
48	Net earnings per train mile cents	49.695	51.769	. . . .	4.0063	48
49	Earnings per car mile cents	7.467	7.681	. . . .	2.7861	49
50	Expenses per car mile cents	5.003	5.098	. . . .	1.8831	50
51	Net earnings per car mile cents	2.464	2.583	. . . .	4.6070	51
52	Earnings per ton	\$ 1.21,659	\$ 1.31,819	. . . .	7.7075	52
53	Expenses per ton cents	81.502	87.482	. . . .	6.8357	53
54	Net earnings per ton cents	40.157	44.337	. . . .	9.4278	54
55	Earnings per ton per mile cents	0.846	0.889	. . . .	4.8369	55
56	Expenses per ton per mile cents	0.567	0.590	. . . .	3.8983	56
57	Net earnings per ton per mile cents	0.279	0.299	. . . .	6.6889	57
58	Percentage of expenses to freight earnings	66.99	66.36	.9494	. . . .	58

(a) Includes Mail and Express. (b) Excludes Mail and Express. (c) Excludes Freight on Company's Supplies.

GENERAL REMARKS.

CONSTRUCTION ACCOUNT.

This account was closed July 1, 1894, since which time the items heretofore charged to this account have been charged to Operating Expenses under the sub-account of Improvement Account. The details of this account amounting to \$279,583.55 appear at length in this report.

All improvements and betterments upon the Nashville & Decatur Railroad, under the terms of the lease, are to be settled for at the end of the lease, therefore, the Construction Account of the Nashville & Decatur Railroad Company is continued, and the amount charged to this account amounted to \$11,275.35.

CHESAPEAKE, OHIO & SOUTHWESTERN R. R.

The suit of the Commonwealth of Kentucky, brought to enjoin this Company from purchasing the properties of the Chesapeake, Ohio & Southwestern R. R., has been decided in favor of the State of Kentucky. Under a writ of error the action has been removed to the Supreme Court of the United States. An early hearing is expected, and it is believed a decision favorable to the Company will be finally reached.

INCOME, AND PROFIT AND LOSS ACCOUNTS.

Income Account has been charged with the difference between the Sinking Fund payments and market value of securities received for the various Sinking Funds, amounting to \$175,000; also the annual pro rata discount on bonds previously sold, \$6,887.25, and the balance of advances to South & North Alabama R. R. Co. of \$697,669.02. The balance to the credit of Income Account, \$700,584.99, has been transferred to the credit of Profit and Loss Account.

The Directors have re-valued the assets of the Company, and have charged all losses and accounts and advances considered uncollectible to Profit and Loss. The balance to the credit of Profit and Loss, June 30, 1895, is \$716,217.97.

By order of the Board of Directors.

M. H. SMITH,
President.

AUGUST BELMONT,
Chairman.

REPORT OF THE COMPTROLLER.

ACCOUNTING DEPARTMENT LOUISVILLE & NASHVILLE RAILROAD COMPANY,
LOUISVILLE, September 16, 1895.

MR. M. H. SMITH,

PRESIDENT:

I submit herewith statements showing the financial condition of the Company, and the results from operation for the year ended June 30, 1895, as shown in the following tables:

- No. I.—Income Account.
- No. II.—Profit and Loss.
- No. III.—General Balance Sheet.
- No. IV.—Bonded Debt.
- No. V.—Securities owned by the Company.
- No. VI.—Gross Earnings, Operating Expenses, and Net, by Months.
- No. VII.—Total Earnings, Operating Expenses, and Net.

Very respectfully,

CUSHMAN QUARRIER,
Comptroller.

TABLE No. I.
INCOME ACCOUNT, JUNE 30, 1895.

GROSS EARNINGS—		
From freight	\$13,537,099 34	
From passenger	4,370,153 94	
From mail	639,139 36	
From express	409,873 79	
From miscellaneous	319,727 36	
Total earnings	\$19,275,993 79	
DEDUCT OPERATING EXPENSES—		
Conducting transportation	\$5,968,232 16	
Maintenance of equipment	2,069,826 59	
Maintenance of way and structure	2,117,809 09	
General expenses	2,121,905 19	
Total operating expenses 63.69 per cent	\$12,277,773 03	
Net earnings from traffic 36.31 per cent	\$6,998,220 76	
From which deduct :		
FIXED CHARGES—		
Interest and rents	\$5,013,738 10	
Taxes	569,326 37	
	\$5,583,064 47	
Loss on Georgia Railroad lease	\$108,263 58	
Loss on other roads, which is a claim against them.	90,024 87	
Sinking fund payments	\$587,264 62	
Less market value of securities received for a part thereof	412,264 62	
	\$175,000 00	
Unfunded Discount	6,887 25	
Balance of advances to South & North Alabama R. R. Co.	697,669 02	
	\$1,077,844 72	
	\$6,660,909 19	
Net earnings	\$337,311 57	
To which add :		
Income from Investments	\$363,273 42	
Net income for the year <i>transferred to the credit of profit and loss account</i>	\$700,584 99	

TABLE No. II.

PROFIT AND LOSS ACCOUNT, JUNE 30, 1895.

Credits.

Interest received on Bonds in Sinking Fund	\$37,345 00	
Profit on Bonds sold	7,281 46	
Amount credited to this account and charged to Income Account for Sinking Fund payments for which no securities were received, viz:		
Louisville & Nashville, South & North Alabama Trust Deed Mort. Sink. Fund, \$20,000 00		
Pensacola & Atlantic Mortgage Sinking Fund 38,500 00		
Cecilia Branch Mortgage Sinking Fund 40,000 00		
	98,500 00	
Amounts realized from various sources	15,355 18	
Net Income for the year ended June 30, 1895, see Table No. I, <i>transferred to this account</i>	700,584 99	
		\$859,066 63

Debits.

Ten per cent premium on bonds redeemed for Sinking Funds	\$27,900 00	
Sundry Stocks and Bonds reduced to market value	24,500 00	
Non-collectible accounts charged of	90,448 66	
Balance to credit of Profit and Loss, June 30, 1895	716,217 97	
		\$859,066 63

TABLE No. III.
Dr. GENERAL BALANCE SHEET, JUNE 30, 1895.

Assets.

COST OF ROAD AND EQUIPMENT		
Road, fixtures and equipment		\$106,344.038 19
Real estate, quarry and timber lands		912,429 79
BONDS OWNED— INVESTMENTS.		
Ten-forty Adjustment Bonds, six per cent	\$ 531,000 00	
Unified Fifty-year Four-per-cent Gold Mortgage Bonds, 1997 Bonds	1,997,000 00	
Unified Fifty-year Four-per-cent received for Sinking Funds, 333 Bonds	266,400 00	
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds, six per cent	50,000 00	
Sloss Iron and Steel Co. First Mortgage Bonds, six per cent	34,400 00	
Eureka Company First Mortgage Bonds, seven per cent	29,000 00	
Elkton & Guthrie Railroad First Mortgage Bonds, seven per cent	25,000 00	
Pensacola & Atlantic Railroad Land Grant Bonds, six per cent	925,000 00	
Louisville & Nashville and Mobile & Montgomery Railway Trust Deed Bonds, six per cent.	267,000 00	
Southern Iron Company First Mortgage Bonds, six per cent	12,500 00	
South & North Alabama Railroad Five-per-cent Consolidated Mortgage Bonds	275,100 00	
Pensacola & Atlantic Railroad First Mortgage Bonds, six per cent	970 00	
Log Mountain Coal, Coke & Timber Company Bonds, six per cent	128,250 00	
Sundry Railroads and other Bonds	26,630 94	
		4,568,250 94
STOCKS OWNED—		
Nashville & Decatur Railroad Stock	\$920,026 01	
Owensboro & Nashville Railway Stock	57,601 77	
Nashville, Florence & Sheffield Railway Stock	1,738 00	
Birmingham Mineral Railroad Stock	159,250 00	
Elkton & Guthrie Railroad Stock	15,175 00	
Mobile & Montgomery Railway Stock	10,543 20	
South & North Alabama Railroad Stock (common)	17,479 06	
Birmingham Rolling Mill Company Stock	34,600 00	
South Carolina Terminal Company Stock	241,000 00	
Sundry Railroads and other Stocks	63,998 84	
		1,521,411 88
MATERIAL AND SUPPLIES—IN SHOPS AND ON LINE OF ROAD		1,374,927 42
MATERIAL IN PRIVATE SIDINGS, THE PROPERTY OF THE COMPANY		69,188 31
TRUST ACCOUNTS		
STOCKS AND BONDS HELD IN TRUST BY THE CENTRAL TRUST COMPANY OF NEW YORK, TRUSTEE, FOR TEN-FORTY ADJUSTMENT MORTGAGE BONDS AND UNIFIED FIFTY- YEAR FOUR-PER-CENT GOLD MORTGAGE BONDS, VIZ:		
Louisville & Nashville Lebanon & Knoxville Branch Bonds, six per cent	\$1,500,000 00	
Louisville & Nashville Pensacola & Selma Division Bonds, six per cent	898,000 00	
Louisville & Nashville Mobile & Montgomery Division Bonds, six per cent	2,677,000 00	
Louisville & Nashville Louisville, Cincinnati & Lexington Railway Company General Mortgage Bonds, six per cent	3,208,000 00	
Pensacola & Atlantic Railroad Bonds, six per cent	900,000 00	
Alabama Mineral Railroad Bonds, four per cent	1,650,010 00	
Stock in Louisville, Cincinnati & Lexington Railway Company	3,070,959 75	
Stock in South & North Alabama Railroad Company	1,125,500 69	
Stock in Mobile & Montgomery Railway Company	3,272,906 12	
Stock in South-East & St. Louis Railway Company	294,000 00	
Stock in Pontchartrain Railroad Company	4,632 37	
Stock in Nashville, Chattanooga & St. Louis Railway	5,355,538 75	
Stock in Owensboro & Nashville Railway Company	250,728 48	
Stock in Henderson Bridge Company	501,000 00	
Stock in Pensacola Railroad Company	2,850 00	
Stock in Louisville Railway Transfer Company	47,062 54	
Stock in Birmingham Mineral Railroad Company	690,410 00	
Stock in Alabama Mineral Railroad Company	225,010 00	
Stock in Nashville, Florence & Sheffield Railway Company	60,600 00	
Stock in Henderson Belt Railroad Company	19,750 00	
Carried forward	\$25,753,958 70	114,790,246 53

TABLE No. III.
GENERAL BALANCE SHEET, JUNE 30, 1895.

Cr.

Liabilities.

CAPITAL STOCK.

Stock issued \$52,708,620 00

CAPITAL STOCK LIABILITY.

Original stock and subsequent dividends unissued \$83,861 80

Scrip issued in stock dividends 7,518 20

Unlisted capital stock 2,200,000 00

2,291,380 00

Total capital stock and stock liability \$55,000,000 00

BONDED DEBT.

General Mortgage Bonds, six per cent \$10,836,000 00

Consolidated Mortgage Bonds, seven per cent 7,070,000 00

Ten-forty Adjustment Bonds, six per cent 4,531,000 00

Unified Fifty-year Four-per-cent Gold Mortgage Bonds 15,324,000 00

Memphis, Clarksville & Louisville Railroad First Mortgage Bonds, six per cent 1,996,660 00

Memphis & Ohio Railroad First Mortgage Bonds, seven per cent 3,500,000 00

New Orleans, Mobile & Texas Division First Mortgage Bonds, six per cent 5,000,000 00

New Orleans, Mobile & Texas Division Second Mortgage Bonds, six per cent 1,000,000 00

Pensacola & Atlantic Railroad First Mortgage Bonds, six per cent 2,870,000 00

Pensacola Division First Mortgage Bonds, six per cent 580,000 00

Cecilia Branch First Mortgage Bonds, seven per cent 680,000 00

Evansville, Henderson & Nashville Division First Mortgage Bonds, six per cent 2,157,000 00

Louisville & Nashville and Mobile & Montgomery Railway Trust Deed Bonds, six per cent 2,677,000 00

South-East & St. Louis Division First Mortgage Bonds, six per cent 3,500,000 00

South-East & St. Louis Division Second Mortgage Bonds, three per cent 3,000,000 00

Lebanon & Knoxville Branch Mortgage Bonds, six per cent 1,500,000 00

Pensacola & Selma Division First Mortgage Bonds, six per cent 1,248,000 00

Louisville, Cincinnati & Lexington Railway First Mortgage Bonds, seven per cent 2,850,000 00

Louisville, Cincinnati & Lexington Railway Second Mortgage Bonds, seven per cent 892,000 00

Louisville, Cincinnati & Lexington Railway General Mortgage Bonds, six per cent 3,258,000 00

City of Louisville Lebanon Branch Extension Bonds, six per cent 1,000 00

First Mortgage Five-per-cent Fifty-year Gold Bonds 1,764,000 00

Five-per-cent Collateral Trust Gold Bonds 5,129,000 00

Kentucky Central Railway First Mortgage Four-per-cent Gold Bonds 6,742,000 00

Maysville & Lexington Railroad Northern Division Seven-per-cent Bonds 400,000 00

Louisville Railway Transfer First Mortgage Bonds, eight per cent 286,000 00

\$88,791,660 00

FROM WHICH DEDUCT:

Bonds included in the foregoing deposited with Central Trust Company of New York, Trustee, to secure \$4,531,000 00 Ten-forty Adjustment Bonds, viz:

Lebanon-Knoxville Branch Bonds, six per cent \$1,500,000 00

Louisville & Nashville and Mobile & Montgomery Railway Trust Deed

Bonds, six per cent 2,677,000 00

Louisville, Cincinnati & Lexington Railway General Mortgage Bonds,

six per cent 3,208,000 00

Pensacola & Atlantic Railroad First Mortgage Bonds, six per cent 1,000,000 00

Pensacola & Selma Division First Mortgage Bonds, six per cent 898,000 00

\$9,283,000 00

Pensacola & Selma Division First Mortgage Bonds, 6 per cent., deposited with the Farmers' Loan and Trust Company, of New York, Trustee, as part collateral for Georgia Railroad Lease

350,000 00

9,633,000 00

Two ten-year Five-per-cent Gold Obligations of 1904 79,158,660 00
5,000,000 00

Carried forward \$139,158,660 00

Dr. GENERAL BALANCE SHEET, JUNE 30, 1895.

<i>Brought forward</i>	\$25,753,958 70	\$114,790,246 53
FROM WHICH DEDUCT—		
Cost of Louisville, Cincinnati & Lexington Railway Stock, which having been added to Cost of Road is therefore deducted from this account	\$3,070,959 75	
Cost of Alabama Mineral Railroad Bonds and Stock, which having been added to Cost of Road is therefore deducted from this account	1,875,020 00	
Cost of Henderson Belt Railroad Stock, which having been added to Cost of Road is therefore deducted from this account	19,750 00	
Cost of Louisville Railway Transfer Stock, which having been added to Cost of Road is therefore deducted from this account	47,062 54	
Bonds included in Bonded Debt deposited with Central Trust Company of New York, Trustee, to secure \$4,531,000 Ten-forty Adjustment Bonds, which having been deducted from the Liabilities (Bonded Debt) is therefore deducted from this account, viz.:		
Lebanon & Knoxville Branch Bonds, six per cent	\$1,500,000 00	
L. & N. and M. & M. Trust Deed Bonds, six per cent	2,677,000 00	
Pensacola & Selma Division Bonds, six per cent	898,000 00	
Louisville, Cincinnati & Lexington Railway General Mortgage Bonds, six per cent	3,208,000 00	
Pensacola & Atlantic Railroad First Mortgage Bonds, six per cent	1,000,000 00	
	9,283,000 00	
Pensacola & Selma Division Bonds, six per cent., included in Bonded Debt deposited with the Farmers Loan & Trust Company of New York, Trustee, as part collateral for Georgia Railroad Lease, which having been deducted from the Liabilities (Bonded Debt) is therefore deducted from this account	350,000 00	
	<u>14,645,792 29</u>	11,108,166 41
BONDS HELD IN TRUST BY FARMERS LOAN AND TRUST COMPANY OF NEW YORK, TRUSTEE, FOR FIVE-PER-CENT TRUST BONDS—		
Birmingham Mineral Railroad First Mortgage Bonds, five per cent	3,929,000 00	
Owensboro & Nashville Railway First Mortgage Bonds, six per cent	1,200,000 00	
	<u>5,129,000 00</u>	
BONDS HELD IN TRUST BY FARMERS LOAN AND TRUST COMPANY OF NEW YORK, TRUSTEE, FOR GEORGIA RAILROAD LEASE—		
South and North Alabama Railroad Five-per-cent Consolidated Bonds	\$250,000 00	
Louisville & Nashville, Pensacola & Selma Division Bonds, six per cent	350,000 00	
	<u>600,000 00</u>	
OBLIGATIONS HELD IN TRUST BY UNITED STATES TRUST COMPANY OF NEW YORK, TRUSTEE—		
Two-ten Five-per-cent Gold Obligations of 1904, for property purchased from C. P. Huntington and Newport News and Mississippi Valley Company	\$4,500,000 00	
Two-ten Five-per-cent Gold Obligations of 1904, for Chesapeake, Ohio & Southwestern re-organization and purchasing committee	500,000 00	
	<u>5,000,000 00</u>	
BONDS AND CASH HELD BY TRUSTEES OF SINKING FUNDS—		
Trustees Louisville, Cincinnati & Lexington Railway Sinking Fund	\$50,000 00	
Union Trust Company, New York, Trustee Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds (invested)	198,166 65	
Union Trust Company, New York, Trustee, Louisville & Nashville and South & North Alabama Railroad Trust Deed Bonds (uninvested)	98 34	
Union Trust Company, New York, to redeem called Bonds of Cecilia Branch	40,000 00	
Trustees Memphis, Clarksville & Louisville Railroad (invested)	567,835 63	
Trustees Memphis, Clarksville & Louisville Railroad (uninvested)	240 52	
Central Trust Company of New York, Trustee (uninvested)	577 23	
	<u>856,918 37</u>	
LOUISVILLE & NASHVILLE AND SOUTH & NORTH ALA. R. R. TRUST DEED SINKING FUND BONDS REDEEMED,	40,000 00	
<i>Carried forward</i>	\$137,524,331 31	

GENERAL BALANCE SHEET, JUNE 30, 1895.

Cr.

<i>Brought forward</i>		\$139,158,660 00
CURRENT LIABILITIES.		
Bills payable		825,000 00
Pay Rolls for June, 1895, payable in July	709,609 63	
Vouchers for June, 1895, payable in July	468,712 94	
Unclaimed on Pay Rolls	194,534 07	
Unclaimed on Vouchers	85,181 64	
		1,458,038 28
Interest on Bonds due July 1st and August 1st	822,683 11	
Unpresented Coupons	81,815 50	
		904,498 61
Dividends Unclaimed		48,052 83
Due to Sundry Railroads and Persons		363,342 92
OTHER LIABILITIES.		
Due to Sundry Railroads and Persons	136,315 29	
Deferred Renewals of Equipment, Rails, etc.	638,346 86	
		774,662 15
<i>Profit and Loss</i>		716,217 97
<i>Carried forward</i>		
		\$144,248,472 76

Dr. GENERAL BALANCE SHEET, JUNE 30, 1895.

Brought forward \$137,524.33 31

ADVANCES TO SUBSIDIARY COMPANIES.

Nashville & Decatur Railroad Company	\$1,017,935 75	
Mobile & Montgomery Railway Company	294,034 43	
Elkton & Guthrie Railroad Company	71 45	
Mammoth Cave Railroad Company	5,232 57	
Sheffield & Tuscumbia Railroad Company	7,178 57	
Montgomery & Prattville Railroad Company	7,417 30	
		1,331,870 07

AVAILABLE ASSETS.

Due from Station Agents	508,504 62	
Net Traffic balances due from other companies	69,424 06	
Due from Adams and Southern Express Companies	53,247 69	
Due from United States Government Post Office Department	164,991 99	
Due from Sundry Railroads and Persons	689,122 50	
Bills Receivable	332,838 07	
Unlisted Capital Stock	2,200,000 00	
		4,018,128 93
Cash		399,643 17

OTHER ASSETS.

Due from Sundry Railroads and Persons	427,409 68	
Bills Receivable, Land Notes	119,524 55	
Bills Receivable, other Notes	106,980 37	
		653,914 60
Unfunded Discount Account		320,584 68
Total		\$144,248,472 76

GENERAL BALANCE SHEET, JUNE 30, 1895.**Cr.**

Brought forward \$144,248,472 76

Total \$144,248,472 76

TABLE No. IV.
BONDED DEBT, JUNE 30, 1895.

DESCRIPTION.	AMOUNT.	MATURITY.	Rate of Interest.	COUPONS DUE.	Amount of Interest.
City of Louisville, account Lebanon Branch Extension Bonds	\$ 1,000	October 15, 1893.	. . . . .	May 1, November 1.	\$ 271,860
Ten-forty Adjustment Bonds	4,531,000	February 1, 1896.	6	January 1, July 1.	199,500
Louisville, Cincinnati & Lexington R'y First Mortgage Bonds	2,850,000	January 1, 1897.	7	April 1, October 1.	494,900
Consolidated Mortgage, Main Stem and Branches Bonds	7,070,000	April 1, 1898.	7	May 1, November 1.	22,880
Louisville Railway Transfer Company Bonds	286,000	May 1, 1901.	8	June 1, December 1.	248,784
Memphis & Ohio Railroad Sterling Mortgage Bonds	3,500,000	June 1, 1901.	7	February 1, August 1.	120,424
Memphis, Clarksv. & Louisv. Railroad Sterling Mortgage Bonds	1,996,660	August 1, 1902.	6	March 1, September 1.	46,200
a-Cecilia Branch Mortgage Bonds	680,000	March 1, 1907.	7	April 1, October 1.	62,440
Louisville, Cincinnati & Lexington R'y Second Mortgage Bonds	892,000	October 1, 1907.	7	June 1, December 1.	127,800
b-Evansville, Henderson & Nashville Div. First Mortgage Bonds	2,157,000	December 1, 1919.	6	March 1, September 1.	34,800
Pensacola Division First Mortgage Bonds	580,000	March 1, 1920.	6	March 1, September 1.	210,000
South-East and St. Louis Division First Mortgage Bonds	3,500,000	March 1, 1921.	6	February 1, August 1.	112,200
Pensacola & Atlantic Railroad First Mortgage Bonds	1,870,000	August 1, 1921.	6	January 1, July 1.	300,000
New Orleans & Mobile Division First Mortgage Bonds	5,000,000	January 1, 1930.	6	January 1, July 1.	60,000
New Orleans & Mobile Division Second Mortgage Bonds	1,000,000	January 1, 1930.	6	June 1, December 1.	646,320
c-General Mortgage Bonds	10,836,000	June 1, 1930.	6	May 1, November 1.	3,000
Louisville, Cincinnati & Lexington R'y General Mortgage Bonds	50,000	November 1, 1931.	6	May 1, November 1.	256,450
First Mortgage Five per-cent Trust Bonds	5,129,000	November 1, 1931.	5	May 1, November 1.	88,200
First Mortgage Five-per-cent Fifty-year Gold Bonds	1,764,000	May 1, 1937.	5	March 1, September 1.	90,000
South-East & St. Louis Division Second Mortgage Bonds	3,000,000	March 1, 1980.	3	January 1, July 1.	612,960
Unified Fifty-year Four-per-cent Gold Mortgage Bonds	15,324,000	July 1, 1940.	4	January 1, July 1.	269,680
Kentucky Central Railway First Mortgage 4-per-cent Gold Bonds	6,742,000	July 1, 1987.	4	January 1, July 1.	28,000
Maysville & Lexington Railroad Northern Div., 7-per-cent Bonds	400,000	January 1, 1906.	7		
	\$79,158,660				\$4,306,398

a \$40,000 of these bonds drawn for Sinking Fund due March 1, 1895. Interest will cease September 1, 1895.

b \$7,000 of these bonds drawn for Sinking Fund due December 1, 1894, but not presented for redemption. Interest ceased on December 1, 1894.

c \$3,000 of these bonds drawn for Sinking Fund due June 1, 1894, but not presented for redemption. Interest ceased on June 1, 1894. \$61,000 of these bonds drawn for Sinking Fund due June 1, 1895. Interest ceased on June 1, 1895.

TABLE No. V.
SECURITIES, JUNE 30, 1895.

The following is a statement of the Securities owned by the Company :

BONDS.		Par Value.
531	Ten-forty Adjustment Six-per-cent Bonds, \$1,000 each	\$ 531,000 00
2,330	Unified Fifty-year Four-per-cent Gold Mortgage Bonds, \$1,000 each	2,330,000 00
50	Louisville, Cincinnati & Lexington R'y General Mort. Six-per-cent Bonds, \$1,000 each	50,000 00
43	Sloss Iron and Steel Company First Mortgage Six-per-cent Bonds, \$1,000 each	43,000 00
29	Eureka Company First Mortgage Seven-per-cent Bonds, \$1,000 each	29,000 00
50	Elkton & Guthrie Railroad Seven-per-cent Bonds, \$500 each	25,000 00
925	Pensacola & Atlantic Railroad Land Grant Six-per-cent Bonds, \$1,000 each	925,000 00
267	Louisville & Nashville and Mobile & Montgomery Trust Deed Mortgage Six-per-cent Bonds, \$1,000 each	267,000 00
25	Southern Iron Company First Mortgage Six-per-cent Bonds, 1,000 each	25,000 00
285	South & North Alabama R. R. Five-per-cent Consolidated Mortgage Bonds, \$1,000 each,	285,000 00
1	Pensacola & Atlantic Railroad First Mortgage Six-per-cent Bond	1,000 00
135	Log Mountain Coal, Coke and Timber Company Six-per-cent Bonds, \$1,000 each	135,000 00
	Sundry Railroad and other Bonds, ledger value	26,630 94
		<u>\$4,672,630 94</u>
STOCKS.		
37,392	Shares Nashville & Decatur Railroad Company Stock, \$25 each	\$ 934,800 00
1,931	Shares Owensboro & Nashville Railway Company Stock, \$100 each	193,100 00
1,144	Shares Nashville, Florence & Sheffield Railway Company Stock, \$100 each	114,400 00
4,550	Shares Birmingham Mineral Railroad Company Stock, \$100 each	455,000 00
691	Shares Elkton & Guthrie Railroad Company Stock, \$25 each	17,275 00
111	Shares Mobile & Montgomery Railway Company Stock, \$100 each	11,100 00
290	Shares South & North Alabama Railroad Company Stock, \$100 each	29,000 00
346	Shares Birmingham Rolling Mill Company Stock, \$100 each	34,600 00
*69,088	Shares Kentucky Central Railway Company Stock, \$100	6,908,800 00
* 600	Shares Louisville, Harrod's Creek & Westport Railroad Company Stock, \$100 each	60,000 00
63	Shares New & Old Decatur Belt Terminal & Railroad Company Stock, \$100 each	6,300 00
* 84	Shares Pontchartrain Railroad Company Stock, \$100 each	8,400 00
192	Shares South-East & St. Louis Railway Company Stock, \$100 each	19,200 00
2,058	Shares Terminal Railroad Association of St. Louis Stock, \$100 each	205,800 00
150	Shares Pensacola Railroad Company Stock, \$100 each	15,000 00
725	Shares Log Mountain Coal, Coke & Timber Company Stock, \$100 each	72,500 00
2,410	Shares South Carolina Terminal Company Stock, \$100 each	241,000 00
	Sundry Railroad and other Stocks, Ledger Value	61,018 00
	Bills Receivable, Land Notes, etc., Ledger Value	559,342 99
		<u>\$9,946,635 99</u>
Total Bonds, Stocks and Bills Receivable		<u>\$14,619,266 93</u>

* These Stocks, having been included in cost of road, do not appear on Trial Balance under the caption of "Stocks Owned."

In addition to the foregoing securities the Company also owns the following bonds and stocks, which are deposited with the Central Trust Company, of New York, Trustee, to secure the Louisville & Nashville 10-40 Adjustment Bonds and the Unified Fifty-year Four-per-cent Gold Mortgage Bonds, viz :

BONDS.		Subject to 10-40 Mortgage Bonds.	Subject to Unified Mortgage Bonds.
1,500	Louisville & Nashville Lebanon-Knoxville Branch Bonds, Six-per-cent \$1,000 each	\$1,500,000 00	\$1,500,000 00
898	Louisville & Nashville Pensacola & Selma Division Bonds, Six-per-cent \$1,000 each	898,000 00	898,000 00
2,677	Louisville & Nashville Mobile & Montgomery Division Bonds, Six-per-cent, \$1,000 each	2,677,000 00	2,677,000 00
3,208	Louisville & Nashville Louisville, Cincinnati & Lexington Railway Company Bonds, Six-per-cent, \$1,000 each	3,208,000 00	3,208,000 00
1,000	Pensacola & Atlantic Railroad Company Bonds, Six-per-cent, \$1,000 each	1,000,000 00	1,000,000 00
31	Alabama Mineral Railroad Company Four-per-cent Bonds, \$100,000 each,	3,100,000 00	\$3,100,000 00
50	Alabama Mineral Railroad Company Four-per-cent Bonds, \$1,000 each	50,000 00	50,000 00
Total Bonds		<u>\$12,433,000 00</u>	

Total Bonds brought forward \$12,433,000 00

STOCKS.		Subject to 10-40 Mortgage Bonds.	Subject to Unified Mortgage Bonds.
15,000 Shares Louisville, Cincinnati & Lexington Railway Company Preferred Stock, \$100 each	1,500,000 00	\$1,500,000 00	\$1,500,000 00
10,000 Shares Louisville, Cincinnati & Lexington Railway Company Common Stock, \$100 each	1,000,000 00	1,000,000 00	985,000 00
20,000 Shares South & North Alabama Railroad Company Preferred Stock, \$100 each	2,000,000 00	2,000,000 00	2,000,000 00
11,274 Shares South & North Alabama Railroad Company Common Stock, \$100 each	1,127,400 00	185,000 00	1,127,400 00
29,397 Shares Mobile & Montgomery Railway Company Stock, \$100 each	2,939,700 00	2,939,700 00	2,939,700 00
40,000 Shares New Orleans, Mobile & Texas Railroad Company as reorganized Stock, \$100 each	4,000,000 00	4,000,000 00	3,985,000 00
9,800 Shares South-East & St. Louis Railway Company Stock, \$100 each	980,000 00	980,000 00	980,000 00
7,400 Shares Pontchartrain Railroad Company Stock, \$100 each	740,000 00	740,000 00	
55,015 Shares Nashville, Chattanooga & St. Louis Railway Stock, \$100 each	5,501,500 00	3,385,000 00	5,501,500 00
9,634 Shares Owensboro & Nashville Railway Company Stock, \$100 each	963,400 00	250,000 00	963,400 00
5,010 Shares Henderson Bridge Company Stock, \$100 each	501,000 00		501,000 00
2,850 Shares Pensacola Railroad Company Stock, \$100 each	285,000 00		285,000 00
1,000 Shares Louisville Railway Transfer Company Stock, \$100 each	100,000 00		100,000 00
19,726 Shares Birmingham Mineral Railroad Company Stock, \$100 each	1,972,600 00		1,972,600 00
19,690 Shares Alabama Mineral Railroad Company Stock, \$100 each	1,969,000 00		1,969,000 00
6,150 Shares Nashville, Florence & Sheffield Railway Company Stock, \$100 each,	615,000 00		615,000 00
395 Shares Henderson Belt Railroad Company Stock, \$50 each	19,750 00		19,750 00
Total Stocks	\$26,214,350 00		
Total Bonds and Stocks	38,647,350 00		

The Company also owns \$2,000,000 South & North Alabama Railroad Company Second Mortgage Bonds, which have been deposited with the Union Trust Company of New York City, Trustee, to secure the Louisville & Nashville Railroad Company's \$2,000,000 six-per-cent Sinking Fund loan of April 1, 1880, \$40,000 of these bonds, through the operation of the said Louisville & Nashville Railroad Sinking Fund loan, have been redeemed and canceled, thus reducing the amount to \$1,960,000.

The Company also owns \$1,200,000 Owensboro & Nashville Railway Company First Mortgage Six-per-cent Bonds and \$3,929,000 Birmingham Mineral Railroad Company First Mortgage Five-per-cent Bonds, which have been deposited with the Farmers Loan and Trust Company, Trustee, to secure the issue of \$5,129,000 Louisville & Nashville Railroad Five-per-cent Trust Bonds.

The Company also owns \$250,000 South & North Alabama Railroad Company Five-per-cent Consolidated Mortgage Bonds and \$350,000 Louisville & Nashville Pensacola & Selma Division Bonds, which are deposited with the Farmers Loan and Trust Company, Trustee, as collateral for the Georgia Railroad lease.

TABLE No. VI.
GROSS EARNINGS, OPERATING EXPENSES, AND NET, BY MONTHS.

RECAPITULATION. (L. & N. SYSTEM.)

[Average for year, 2,955.98 miles.]

MONTHS.	Freight.	Passenger.	Mail.	Express.	Miscellaneous.	Total Earnings.	Operating Expenses.	Net Earnings.	Per cent of Exps. to Earnings.
July . 1894	\$957,598 89	\$364,218 11	\$53,179 71	\$31,483 55	\$22,422 91	\$1,428,903 17	\$888,312 69	\$540,590 48	62 17
Aug. . "	1,188,355 02	393,172 12	53,305 01	28,425 08	29,409 39	1,692,666 62	1,050,336 97	642,329 65	62 05
Sept. . "	1,179,811 93	405,288 28	52,501 97	28,895 83	22,191 85	1,688,689 86	1,001,952 70	686,737 16	59 33
Oct. . "	1,361,117 50	384,499 62	53,316 83	35,626 72	30,635 21	1,865,195 88	1,114,643 70	750,552 18	59 76
Nov. . "	1,327,380 88	348,055 09	53,490 43	37,163 81	28,929 41	1,795,019 62	1,038,977 59	756,042 03	57 88
Dec. . "	1,210,758 18	390,800 56	51,768 23	42,023 38	21,053 39	1,716,403 74	986,016 41	730,387 33	57 45
Jan. . 1895	1,129,373 96	365,090 96	53,930 64	31,481 16	22,224 99	1,602,101 71	982,211 13	619,890 58	61 31
Feb. . "	951,336 71	311,791 90	54,046 09	27,664 67	20,100 32	1,364,939 69	911,479 80	453,459 89	66 78
March . "	1,147,403 02	345,835 70	52,071 54	31,645 20	32,153 36	1,609,108 82	1,054,588 21	554,520 61	65 54
April. . "	984,909 82	334,380 81	54,357 42	37,290 95	21,345 18	1,432,284 18	1,048,843 12	383,441 06	73 23
May . "	1,058,803 95	343,783 49	54,147 39	44,212 07	32,417 26	1,533,364 16	1,082,156 64	451,207 52	70 57
June . "	1,040,249 48	383,237 30	53,024 10	33,961 37	36,844 09	1,547,316 34	1,118,254 07	429,062 27	72 27
Total.....	\$13,537,099 34	\$4,370,153 94	\$639,139 36	\$409,873 79	\$319,727 36	\$19,275,993 79	\$12,277,773 03	\$6,998,220 76	63 69

TABLE No. VII.
TOTAL EARNINGS, OPERATING EXPENSES, AND NET.

RECAPITULATION.

SOURCES.	Percentage of Gross Earnings.	GROSS EARNINGS.	Operating Expenses.	Net Earnings.
Passenger	22.671	\$4,370,153 94 639,139 36 409,873 79 23,916 50	\$3,613,524 10	\$1,829,559 49
Mail	3.316			
Express	2.126			
Train privileges . . . . .	.124			
Freight	70.228	13,537,099 34	8,664,248 93	4,872,850 41
Rent of passenger cars . . . . .	.077	14,728 62		14,728 62
Rent of freight cars . . . . .	.613	118,185 42		118,185 42
Rent of locomotives . . . . .	.344	66,364 51		66,364 51
Car detention, storage, etc. . . . .	.086	16,507 63		16,507 63
Rents . . . . .	.360	69,327 15		69,327 15
Telegraph . . . . .	.020	3,933 75		3,933 75
Wharfage and storage, Pensacola, Fla. . . . .	.028	5,383 44		5,383 44
Bridge Tolls . . . . .	.002	483 85		483 85
Storage—St. Louis Storage Warehouse005	896 49		896 49
Total	100.000	\$19,275,993 79	\$12,277,773 03	\$6,998,220 76

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